

TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

Date of Closing: April 28, 1987

BOND TRANSCRIPT

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TOWN OF PADEN CITY

ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF THE TOWN OF PADEN CITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN \$675,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 A, AND NOT MORE THAN \$175,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE TOWN OF PADEN CITY:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13 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. The Town of Paden City (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Wetzel and Tyler Counties of said State.

B. The Issuer now owns and operates a public sewage treatment, collection and transportation system. However, it is

deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed certain other additions, betterments and improvements for such existing sewerage facilities of the Issuer (the "Project") which constitute properties for the treatment and collection of liquid or solid wastes, sewage or industrial wastes (the existing system, the Project, and any further additions thereto or extensions thereof is herein called the "System") at an estimated cost of \$2,320,760.50, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the 1958 Bonds (as hereinafter defined), the Bonds (as hereinafter defined) and all Sinking Fund, Reserve Account and other payments provided for herein and the 1958 Ordinance (as hereinafter defined).

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of not more than \$850,000 in two series, being the Series 1987 A Bonds in the aggregate principal amount of not more than \$675,000, and the Series 1987 B Bonds in the aggregate principal amount of not more than \$175,000 (collectively, the "Bonds"). Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Bonds prior to and during construction or acquisition and for 6 months after completion of construction of the Project; amounts which may be deposited in the Reserve Accounts; engineering, and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees of the Authority (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Bonds and such other expenses as may be necessary or incidental 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; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Bonds or the repayment of indebtedness incurred by the Issuer for such purposes, shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its 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") entered into or to be entered into between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority, and attached hereto as "Exhibit A," and made a part hereof.

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, except the \$232,000 Sewer Revenue Bonds of the Issuer dated November 1, 1958 (the "1958 Bonds"), which will rank prior to the Bonds as to lien and source of security for payment, issued pursuant to an ordinance of the Issuer finally enacted November 17, 1958 (the "1958 Ordinance"). The Series 1987 B Bonds shall be junior and subordinate to the Series 1987 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, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a Certificate of Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

I. The Issuer has general taxing powers to finance operations of or facilities of the nature of the System, and the Issuer and all subordinate entities reasonably expect to issue less than \$5,000,000 aggregate principal amount of tax-exempt bonds during the calendar year in which the Bonds are to be issued.

J. The Sanitary Board of the Issuer has presented a petition to the Issuer for enactment of the Bond Legislation.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Bonds by those who shall be the registered owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the registered owners of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one

Bond of a series and any other Bonds of the same series, or any Bond of a different series issued on a parity with any Bond of another series, 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 13 of the West Virginia Code of 1931, as amended, and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser 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 Mayor of the Issuer or any acting Mayor 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," "Ordinance," "Bond Ordinance" or "Local Act" means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" or "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.

"1958 Bonds" means the Issuer's Sewer Revenue Bonds dated November 1, 1958, issued in the original aggregate principal amount of \$232,000, now outstanding in the approximate amount of \$91,612.66.

"City Clerk" or "Recorder" means the Recorder of the Issuer.

"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 S&S Engineers, Inc., Charleston, 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 1.02D 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 council of the Issuer, 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; 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.

"Issuer" means the Town of Paden City, in Wetzel and Tyler Counties, 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, attached hereto as a part hereof as Exhibit A, entered into or to be 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 are hereby approved, ratified and confirmed, and the execution and delivery by the Issuer authorized, approved, ratified and confirmed, by, this Ordinance or an ordinance or resolution enacted or adopted by the Issuer prior to the enactment of this Ordinance.

"Mayor" means the Mayor of the Issuer.

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

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

"1958 Ordinance" means the ordinance of the Issuer finally enacted November 17, 1958, pursuant to which the 1958 Bonds were issued.

"Original Bonds" or "Bonds originally authorized hereby" or similar phrases mean, collectively, the not more than \$675,000 in aggregate principal amount of Series 1987 A Bonds and the not more than \$175,000 in aggregate principal amount of Series 1987 B Bonds, issued for the purpose of paying a portion of the Costs of the Project and for such other purposes permitted and authorized by this Bond Legislation.

"Other Grants" means any other grant hereafter received by the Issuer to aid in financing any Costs.

"Outstanding," when used with reference to Bonds or 1958 Bonds and as of any particular date, describes all Bonds or 1958 Bonds theretofore and thereupon being delivered (and authenticated with respect to the Bonds) except (i) any Bond cancelled by the Bond Registrar at or prior to said date; (ii) any Bond or 1958 Bond 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 1958 Ordinance and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof or any 1958 Bond deemed to have been paid as provided in the 1958 Ordinance; and

(iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

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

"Paying Agent" means the bank or banks or other entity designated as such for the Bonds 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 new sewerage collection facilities and the upgrading of the Issuer's existing primary treatment plant to a secondary treatment plant 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; and

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

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

"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.

"Sanitary Board" means the Sanitary Board of the Issuer heretofore established by ordinance duly enacted by the Issuer and any successor to the functions thereof.

"Series 1987 A Bonds" or "Series A Bonds" means the not more than \$675,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1987 A, of the Issuer.

"Series 1987 A Bonds Reserve Account" means the Series 1987 A Bonds Reserve Account established in the Series 1987 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1987 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 1987 A Bonds in any year.

"Series 1987 A Bonds Sinking Fund" means the Series 1987 A Sinking Fund established by Section 5.02 hereof.

"Series 1987 B Bonds" or "Series B Bonds" means the not more than \$175,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1987 B, of the Issuer.

"Series 1987 B Bonds Reserve Account" means the Series 1987 B Bonds Reserve Account established in the Series 1987 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1987 B Bonds Reserve Requirement" means, as of the date of calculation, the maximum amount of principal which will become due on the Series 1987 B Bonds in any year.

"Series 1987 B Bonds Sinking Fund" means the Series 1987 B Bonds Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the

supplemental resolutions authorizing the sale of the Original Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to 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 other than obligations secured solely by proceeds of any Grants, if any, of the Issuer, including the Renewal and Replacement Fund and the Reserve Accounts, the proceeds of which such Bonds or other obligations, if any, are to be used to pay Costs of the Project.

"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 Issuer 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.

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

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

ARTICLE II

AUTHORIZATION OF 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 \$2,320,760.50, 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 Bonds hereby authorized shall be applied as provided in Article VI hereof.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 1987 A Bonds to the extent provided in the Supplemental Resolution, funding a reserve account for each series of Bonds to the extent provided in the Supplemental Resolution, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any of such purposes, there shall be issued negotiable Original Bonds of the Issuer, in an aggregate principal amount of not more than \$850,000. Said Bonds shall be issued in two series, to be designated respectively, "Sewer Revenue Bonds, Series 1987 A," in the aggregate principal amount of not more than \$675,000, and "Sewer Revenue Bonds, Series 1987 B," in the aggregate principal amount of not more than \$175,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Bonds remaining after funding of the Reserve Accounts and capitalization of interest, if any, shall be deposited in the Bond Construction Trust Fund established by Section 5.01 hereof; provided, however, Reserve Accounts shall be funded to the extent provided in the Supplemental Resolution by first crediting the Bond Construction Trust Fund with such amounts and thereafter depositing such amounts in the Reserve Accounts.

Section 3.02. Terms of Bonds. The Bonds shall bear interest at such rate or rates, not exceeding the then 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, as Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Bonds shall be paid by check or draft of the Paying Agent mailed to the registered owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Original Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a debt service schedule 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 (except to the extent such subsequent series is issued for the purpose of paying the costs of completion of the Project), all as determined by a Supplemental Resolution. The 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 Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed 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.

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

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost.
In any case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's

furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer.
The 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 and the proceeds, if any, in the respective Reserve Accounts. 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 1987 B Bonds to be Junior and Subordinate to Series 1987 A Bonds. The payment of the debt service of all the Series 1987 A Bonds shall 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 the Net Revenues securing the 1958 Bonds. The payment of the debt service of all the Series 1987 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 1958 Bonds and Series 1987 A Bonds. After making all payments required under the 1958 Ordinance, 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 Funds, the Reserve Accounts therein and the Renewal and Replacement Fund 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 Bonds 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 1987 A Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF PADEN CITY
SEWER REVENUE BOND, SERIES 1987 A

No. AR-_____

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF PADEN CITY, a municipal corporation of the State of West Virginia in Wetzel and Tyler Counties of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ (\$ _____), 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 Authority 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 _____ 1, 19____. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of Kanawha Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated _____, 1987.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewage [treatment, collection and transportation] facilities of the Issuer (the "Project"); (ii) [to pay interest on the Bonds of this series] (the "Bonds") during the construction of the Project and for approximately _____ months thereafter; (iii) [to fund a reserve account for the Bonds]; and (iv) 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance and Supplemental Resolution, duly enacted and adopted, respectively, by the Issuer on _____, 1987, and _____, 1987 (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 1987 B, of the Issuer (the "Series 1987 B Bonds"), issued in the aggregate principal amount of \$ _____, which Series 1987 B Bonds are junior and subordinate with respect to liens and sources of and security for payment to the Bonds.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation), which pledge is junior and subordinate in all respects to the pledge of the Net Revenues securing the Issuer's Sewer Revenue Bonds, dated November 1, 1958, issued in the original aggregate principal amount of \$232,000 (the "1958 Bonds"), to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1987 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 1987 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, together with

other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any year of principal of and interest on the 1958 Bonds, the Bonds, the Series 1987 B Bonds, and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds or the Series 1987 B Bonds, provided however, that so long as there exists in the Series 1987 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in any year, and in the reserve accounts established for the Series 1987 B Bonds and any other obligations outstanding prior to or on a parity with the Bonds or the Series 1987 B Bonds, including without limitation the reserve for contingencies in the Sewer Revenue Bond Interest and Sinking Fund established in connection with the 1958 Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGES AND SOURCES OF AND SECURITY FOR PAYMENT FROM SUCH NET REVENUES TO THE 1958 BONDS DESCRIBED HEREIN.

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, the TOWN OF PADEN CITY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed hereon and attested by its Recorder, and has caused this Bond to be dated _____, 1987.

[SEAL]

Mayor

ATTEST:

Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1987 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, NATIONAL
ASSOCIATION, as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

[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 1987 B Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF PADEN CITY
SEWER REVENUE BOND, SERIES 1987 B

No. BR-_____

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF PADEN CITY, a municipal corporation of the State of West Virginia in Wetzel and Tyler Counties of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ (\$ _____), 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 at any time, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Supplemental Loan Agreement between the Issuer and the Authority, dated _____, 1987.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewage [treatment, collection and transportation] facilities of the Issuer (the "Project"); (ii) [to fund a reserve account for the Bonds]; and (iii) 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance and Supplemental Resolution, duly enacted and adopted, respectively, by the Issuer on _____, 1987, and _____, 1987 (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 account of the Issuer's Sewer Revenue Bonds dated November 1, 1958, issued in the original principal amount of \$232,000 (the "1958 Bonds") and the Series 1987 A Bonds herein described, moneys in the Reserve Account created under the Bond Legislation for the Bonds of this Series (the "Series 1987 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 1987 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, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any year of principal of and interest, if any, on the 1958 Bonds, the Bonds, the Series 1987 A Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Series 1987 A Bonds or the Bonds, provided however, that so long as there exists in the Series 1987 B Bonds Reserve Account and the reserve account established for the Series 1987 A Bonds, respectively, amounts at least equal to the maximum amount of principal and interest which will become due on the Bonds and the Series 1987 A Bonds in any year, and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, including without limitation the reserve for contingencies in the Sewer Revenue Bond Interest and Sinking Fund established in connection with the 1958 Bonds, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively

as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of Kanawha Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner 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, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owners of the Bonds, which lien is subordinate to the lien in favor of the registered owners of the Series 1987 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 1987 A, OF THE ISSUER (THE "SERIES 1987 A BONDS"), ISSUED CONCURRENTLY HERewith AND DESCRIBED IN THE BOND LEGISLATION AND THE 1958 BONDS DESCRIBED HEREIN, EXCEPT WITH RESPECT TO THE SERIES 1987 B BONDS RESERVE ACCOUNT.

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, the TOWN OF PADEN CITY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed hereon and attested by its Recorder, and has caused this Bond to be dated _____, 1987.

[SEAL]

Mayor

ATTEST:

Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1987 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, NATIONAL
ASSOCIATION, as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

[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; Ratification of 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 Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution is hereby authorized, ratified and approved.

ARTICLE IV

[RESERVED]

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 separate and apart from all other funds or accounts of the Depository Bank and from each other:

- (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 1987 A Bonds Sinking Fund;
 - (a) Within the Series 1987 A Bonds Sinking Fund, the Series 1987 A Bonds Reserve Account.
- (2) Series 1987 B Bonds Sinking Fund;
 - (a) Within the Series 1987 B Bonds Sinking Fund, the Series 1987 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 established in connection with the 1958 Bonds and hereby continued. 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 and as provided in the 1958 Ordinance.

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

(2) The Issuer shall next, each month, from the moneys remaining in the Revenue Fund, make such other disbursements required to be made in connection with the 1958 Bonds, pursuant to the 1958 Ordinance.

(3) 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 1987 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 1987 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 1987 A Bonds on the next ensuing semiannual interest payment date; provided, that, in the event the period to elapse between the date of such initial deposit in the Series 1987 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.

(4) 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 1987 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1987 A Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1987 A Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1987 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.

(5) 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 Series 1987 A Bonds, if not fully funded upon issuance of the Series 1987 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1987 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1987 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1987 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 1987 A Bonds Reserve Requirement.

(6) 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 Project, 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 1987 A Bonds Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in the Series 1987 A Bonds Reserve Account [except to the extent such deficiency exists because the required payments into such account has not, as of the date of determination of a deficiency, funded such account to the maximum extent required by Subsection 5.03(A)(5)] shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(7) 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 1987 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1987 B Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1987 B Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1987 B 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.

(8) 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 1987 B Bonds, if not fully funded upon issuance of the Series 1987 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1987 B Bonds Reserve Account, an amount equal to 1/120 of the Series 1987 B Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1987 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 1987 B Bonds Reserve Requirement.

Moneys in the Series 1987 A Bonds Sinking Fund and the Series 1987 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 1987 A Bonds Reserve Account and the Series 1987 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 several Sinking Funds and Reserve Accounts shall be returned, not less than once each year, by the Commission to the Issuer, for deposit in the Revenue Fund, and such amounts shall be applied in full, first to the next ensuing interest payments, if any, due on the respective Series of Bonds, and then to the next ensuing principal payments due thereon.

Any withdrawals from the Series 1987 A Bonds Reserve Account which result in a reduction in the balance of the Series 1987 A Bonds Reserve Account to below the Series 1987 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Series 1987 A Bonds Sinking Fund for payment of debt service on the Bonds have been made in full.

Any withdrawals from the Series 1987 B Bonds Reserve Account which result in a reduction in the balance of the Series 1987 B Bonds Reserve Account to below the Series 1987 B Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Series 1987 A Bonds Sinking Fund, the Series 1987 A Bonds Reserve Account, the Renewal and Replacement Fund and the Series 1987 B Bonds Sinking Fund have been made in full.

As and when additional Bonds ranking on a parity with the Series 1987 B Bonds are issued, provision shall be made for additional payments into the Series 1987 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 1987 B Reserve Account in an amount equal to the maximum provided and required to be paid into the Series 1987 B Sinking Fund in any year for account of all such bonds issued on a parity with the Series 1987 B Bonds, including such additional 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 1987 A Bonds Sinking Fund, or the Series 1987 B Bonds Sinking Fund or into the Reserve Accounts therein when the aggregate amount of funds in said respective Sinking Funds and Reserve Accounts are at least equal to the aggregate principal amount of the respective Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the respective maturities thereof.

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 System.

C. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay 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 of the System.

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. From the proceeds of the Series 1987 A Bonds, there shall be deposited with the Commission in the Series 1987 A Bonds Sinking Fund, the amount, if any, specified in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1987 A Bonds for the period commencing on the date of issuance of the Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 1987 A Bonds, there shall be deposited with the Commission in the Series 1987 A Reserve Account and from the proceeds of the Series 1987 B Bonds, there shall be deposited with the Commission in the Series 1987 B Reserve Account the respective sums, if any, set forth in the Supplemental Resolution for funding of the Reserve Accounts; provided, however, that such amounts shall first be credited to the Bond Construction Trust Fund prior to deposit with the Commission.

C. The remaining moneys derived from the sale of the Bonds shall be deposited with the Depository Bank 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. 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 Series 1987 A Bonds, and thereafter for the Series 1987 B Bonds.

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 of the Original Bonds 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.

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 1987 A Bonds Reserve Account, and when fully funded to the Series 1987 B Bonds Reserve Account, and when both Reserve Accounts are fully funded, shall return such remaining moneys to the Issuer for deposit in the Revenue Fund. The Issuer shall thereafter, apply such moneys in full, first to the next ensuing interest payments, if any, due on the respective Series of Bonds and thereafter to the next ensuing principal payments due thereon.

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.

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

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1987 A Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on the Net Revenues derived from the operation of the System, but junior and subordinate to the lien on the Net Revenues securing the 1958 Bonds. Payment of the debt service of the Series 1987 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 1958 Bonds and the Holders of the Series 1987 A Bonds. After making all payments required under the 1958 Ordinance, the remaining 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 herein, 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 ordinance of

the Issuer enacted June 19, 1986, and to be re-enacted simultaneously herewith.

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 Outstanding, or to effectively defease this Ordinance in accordance with Section 10.01 hereof. 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, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal at maturity of and interest on the Bonds. 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.

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 Renewal and Replacement 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 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. 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 1987 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 the Series 1987 A Bonds and the Series 1987 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.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1987 B Bonds. No Parity Bonds shall be issued which shall be payable out of the revenues of the System on a parity with the Series 1987 A Bonds, unless the Series 1987 B Bonds are no longer outstanding.

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 Recorder 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 Ordinance then Outstanding;
- (C) The Parity Bonds then proposed to be issued; and
- (D) Any other obligations secured by or payable from the Net Revenues prior to the Series B Bonds.

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 such 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 issued on a parity therewith. 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 the Series 1987 A Bonds and the Series 1987 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 the Series 1987 A Bonds or the Series 1987 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 as of 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 1987 Series A Bonds and 1987 Series B Bonds, respectively.

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 issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the 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 and the Authority, or any other original purchaser of the Bonds, and shall mail in each year to any Holder or Holders of Bonds requesting the same, an annual report containing the following:

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

B. A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation with respect to said Bonds and the status of all said funds and accounts.

C. The amount of any Bonds 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 and shall file said report with the Authority, or any other original purchaser of the Bonds.

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, which copies will be open to inspection by all interested parties. The schedule 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. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Reserve Accounts and reserve accounts for bonds prior to or on a parity with the Bonds are funded at least at the respective requirements therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the 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 finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of 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 Authority and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Trustee and to any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

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. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.13. 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 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, the Authority, the prime contractor and all subcontractors, as their interests may appear, in accordance with the Loan Agreement, 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 or Counties 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.

(D) FLOOD INSURANCE, to the extent available at reasonable cost to the Issuer.

(E) BUSINESS INTERRUPTION INSURANCE, to the extent available at a reasonable cost.

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. In the event the Issuer requires the contractor to maintain builder's risk insurance as provided in the Loan Agreement, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.15. 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. Private Activity Bond Covenant. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended (including any amendments and successor provisions thereto and the rules and regulations thereunder, the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code in order to assure the tax-exempt status of the Bonds.

Section 7.18. Information Return. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Bonds, including without limitation, the information return required under Section 149(e) of the Code.

Section 7.19. Federal Guarantee Prohibition. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 7.20. Compliance with 1958 Ordinance. The Issuer covenants and agrees to comply with the terms and conditions of the 1958 Ordinance and to make all payments required thereunder so that the 1958 Bonds will be defeased and paid in accordance with the terms thereof, as soon as practicable; provided, however, that nothing in this Section shall be construed so as to require the Issuer to make payments in advance of the dates actually required under the 1958 Ordinance.

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 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, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Article VIII.

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, or at par if such investment is held in the "Consolidated Fund." 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 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, the Depository Bank 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, obligations or investment property, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Code and an Authorized Officer shall deliver his certificate, based upon this covenant, with regard thereto to the purchaser of the Original Bonds.

Section 8.03. Rebates of Excess Arbitrage Earnings. The Issuer has general taxing powers to finance operations of or facilities of the nature of the System, and the Issuer and all subordinate entities reasonably expect to issue less than \$5,000,000 aggregate principal amount of tax-exempt bonds during the calendar year in which the Bonds are to be issued. Therefore, the Issuer believes that it is excepted from the rebate requirements of Section 148(f) of the Code. Notwithstanding the foregoing, if the Issuer is in fact subject to such rebate requirements the Issuer hereby covenants to rebate to the United States the amounts required by the Code and to take all steps necessary to make such rebates. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and obtain a waiver from the Internal Revenue Service in order to maintain the tax-exempt status of the interest on the Bonds.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the 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 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 Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond; 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 Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners, provided however, that all rights and remedies of the Holders of the Series 1987 B Bonds shall be subject to those of the Holders of the Series 1987 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 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 1958 Bonds and the interest thereon and the deposits into the funds and accounts established under the 1958 Ordinance, 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 1987 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 1987 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 1987 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 1987 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Series 1987 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 1987 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 1987 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 1987 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 1987 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 1987 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 1987 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 1987 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 1987 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Series 1987 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 1987 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 1987 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 1987 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 1987 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.

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 Bonds shall be made without the consent in writing of the Registered Owners of 66-2/3% or more in principal amount of the Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest 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 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 no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

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

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

Section 11.05. Amendments to Maintain Tax Exemption. The Issuer hereby covenants to make any amendment or supplements to this Ordinance and to the Indenture authorized hereby to enable the interest on the Bonds to be and remain 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.

Section 11.06. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided, however, that this Section shall not be applicable to the 1958 Ordinance.

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 Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, Recorder and members of the the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

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

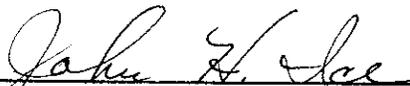
Section 11.09. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Bond Legislation determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in Tyler Star News and Wetzel Chronicle, qualified newspapers published in the Town of Paden City, together with a notice stating that this Bond Legislation has been adopted and that the Issuer contemplates the issuance of the Bonds, and that any person interested may appear before the Town Council upon a date certain, not less than ten days subsequent to the date of the first publication of this Bond Legislation and notice, and present protests, and that a certified copy of the Ordinance is on file with the Governing Body for review

by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

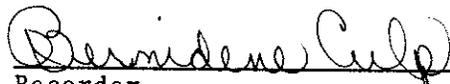
Passed on First Reading - March 2, 1987

Passed on Second Reading - March 9, 1987

Passed on Final Reading
Following Public
Hearing - March 23, 1987



Mayor

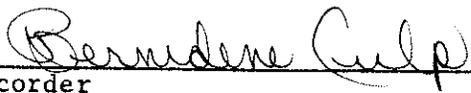


Recorder

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the TOWN OF PADEN CITY on this 23rd day of March, 1987.

[SEAL]


Recorder

04/24/87
PADCI2-A

"EXHIBIT A"

[Included as Document Nos. 3 and 4 of Bond Transcript]



TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITIES, INTEREST RATES, PRINCIPAL PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1987 A AND SERIES 1987 B OF THE TOWN OF PADEN CITY; AUTHORIZING, APPROVING, RATIFYING AND CONFIRMING 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 town council (the "Governing Body") of the Town of Paden City (the "Issuer"), has duly and officially enacted a bond ordinance, effective March 23, 1987 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF THE TOWN OF PADEN CITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN \$675,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 A, AND NOT MORE THAN \$175,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds of the Issuer (the "Bonds"), in an aggregate

principal amount of not to exceed \$850,000, to be issued in two series, the Series 1987 A Bonds to be in an aggregate principal amount of not more than \$675,000 (the "Series 1987 A Bonds") and the Series 1987 B Bonds to be in an aggregate principal amount of not more than \$175,000 (the "Series 1987 B Bonds"), and has authorized the execution and delivery of a loan agreement relating to the Series 1987 A Bonds dated March 3, 1987, and a supplemental loan agreement relating to the Series 1987 B Bonds, also dated March 3, 1987 (sometimes collectively referred to herein as the "Loan Agreement"), 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 13 (the "Act"); and in the Bond Ordinance it is provided that the exact principal amounts, maturity dates, interest rates, interest and principal payment dates, sales 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 resolution (the "Supplemental Resolution") be adopted and that the Loan Agreement be entered into and ratified and confirmed by the Issuer, that the exact principal amounts, 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 THE TOWN OF PADEN CITY:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued:

(A) The Sewer Revenue Bonds, Series 1987 A, of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$536,426. The Series 1987 A Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2026, shall bear interest at the rate of 8.38% per annum, payable semiannually on April 1 and October 1 of each year, first interest payable October 1, 1987, shall be subject to

redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1987 A 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 1987 B, of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of \$131,574. The Series 1987 B Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2026, shall be interest free, shall be subject to redemption upon the written consent of the Authority, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1987 B 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 forms provided in the Bond Ordinance.

Section 3. The Issuer does hereby approve, accept and ratify the Loan Agreement, copies of which are incorporated herein by reference, and the execution and delivery by the Mayor of the 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, National Association, Charleston, West Virginia, as Registrar for the Bonds and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and Kanawha Valley Bank, National Association, in substantially the form attached hereto, and the execution and delivery by the Mayor 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. The Issuer does hereby appoint The Bank of Paden City, Paden City, West Virginia, as Depository Bank under the Bond Ordinance.

Section 7. Series 1987 A Bond Proceeds in the amount of \$60,000 shall be deposited in the Series 1987 A Sinking Fund, as capitalized interest.

Section 8. None of the Series 1987 A Bond proceeds and none of the Series 1987 B Bond proceeds will be deposited in the Series 1987 A Bonds Reserve Account and the Series 1987 B Bonds Reserve Account, respectively.

Section 9. The Mayor and Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about March 30, 1987, to the Authority pursuant to the Loan Agreement.

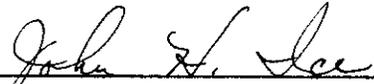
Section 10. The financing of the Project in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 11. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond Ordinance in the West Virginia "Consolidated Fund," and therefore the Issuer hereby directs the Depository Bank and the Paying Agent to take such actions as may be necessary to cause such moneys to be invested in the Consolidated Fund.

Section 12. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 23rd day of March, 1987.

TOWN OF PADEN CITY



Mayor

03/23/87
PADCI1-E



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").

City of Paden City

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

1.8 "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.

1.9 "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 any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and 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. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds is outstanding, business interruption insurance if available at a reasonable cost.

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 any and 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 but must be satisfactory to the Authority, 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 the Consulting Engineers, or such other person or firm experienced in the

financing of water development projects and satisfactory to the Authority, to such effect, such certificate to be in form and substance satisfactory to the Authority, and evidence satisfactory to the Authority 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

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, including those specified by Section 2.8 hereof;

(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 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, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the 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); provided that, if the cost of acquisition and construction of the Project includes funded reserves for the Local Bonds, any requisite proceeds shall be credited to the construction fund and then deposited in the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein; 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. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to 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, legal fees paid by the Authority 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 cove-

nants 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, 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.

6.4 The Governmental Agency hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority for the planning or design of the Project, and such repayment shall be a condition precedent to the Authority's making the Loan.

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

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 Schedule X 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, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.8 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 Authority.

Town of Paden City
[Proper Name of Governmental Agency]

(SEAL)

By John H. Lee
Its Mayor

Attest:

Date: March 3, 1987

Bernadene Culp
Its Recorder

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

By Edgar W. Shury
Director

Attest:

Date: 3-20-87

Daniel B. Gombosky
Secretary-Treasurer

WDA-5X
(October 1986) .

SCHEDULE X
DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds \$ 536,426.00
Purchase Price of Local Bonds \$ 536,426.00

Interest on the Local Bonds is payable on April 1 and October 1 in each year, beginning with the first semi-annual interest payment date after delivery of the Local Bonds to the Authority, until the Local Bonds are paid in full, at the rate of 8.38 % per annum. Principal of the Local 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 Loan Agreement, the Local Bonds are on a parity as to source of and security for payment with the following obligations:

None

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

Sewer Revenue Bonds dated November 1, 1958, in the original aggregate principal amount of \$232,000.

PADEN CITY SANITARY BOARD
 ANALYSIS OF 7.00% BORROWING COST FOR LOCAL ISSUER
 ----- 1986 SERIES A BONDS -----

PERIOD ENDING	10/1	COUPON	PRIN.	INTEREST	SERVICE
1987	8.38			19,104.85	19,104.85
1988	8.38			44,952.58	44,952.58
1989	8.38		2,216	44,952.58	47,168.58
1990	8.38		2,402	44,766.88	47,168.88
1991	8.38		2,603	44,565.59	47,168.59
1992	8.38		2,821	44,347.46	47,168.46
1993	8.38		3,058	44,111.06	47,169.06
1994	8.38		3,314	43,854.80	47,168.80
1995	8.38		3,592	43,577.09	47,169.09
1996	8.38		3,892	43,276.08	47,168.08
1997	8.38		4,219	42,949.93	47,168.93
1998	8.38		4,572	42,596.38	47,168.38
1999	8.38		4,955	42,213.24	47,168.24
2000	8.38		5,371	41,798.02	47,169.02
2001	8.38		5,821	41,347.93	47,168.93
2002	8.38		6,308	40,860.13	47,168.13
2003	8.38		6,837	40,331.52	47,168.52
2004	8.38		7,410	39,758.58	47,168.58
2005	8.38		8,031	39,137.62	47,168.62
2006	8.38		8,704	38,464.62	47,168.62
2007	8.38		9,433	37,735.22	47,168.22
2008	8.38		10,224	36,944.74	47,168.74
2009	8.38		11,081	36,087.97	47,168.97
2010	8.38		12,009	35,159.38	47,168.38
2011	8.38		13,016	34,153.03	47,169.03
2012	8.38		14,106	33,062.28	47,168.28
2013	8.38		15,288	31,880.20	47,168.20
2014	8.38		16,570	30,599.07	47,169.07
2015	8.38		17,958	29,210.50	47,168.50
2016	8.38		19,463	27,705.62	47,168.62
2017	8.38		21,094	26,074.62	47,168.62
2018	8.38		22,862	24,306.94	47,168.94
2019	8.38		24,778	22,391.11	47,169.11
2020	8.38		26,854	20,314.71	47,168.71
2021	8.38		29,104	18,064.35	47,168.35
2022	8.38		31,543	15,625.43	47,168.43
2023	8.38		34,187	12,992.13	47,169.13
2024	8.38		37,052	10,117.26	47,169.26
2025	8.38		40,156	7,012.30	47,168.30
2026	8.38		43,522	3,647.23	47,169.23
			536,426	1,320,041.03	1,856,467.03

SCHEDULE Y
REVENUES

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

(i) to pay Operating Expenses of the System;

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

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

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 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 Agency owns a water facility (the "Water System"), the Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid.

5. To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

6. Subject to any prior or parity obligations described in Schedules X and Y attached to the Loan Agreement, the net revenues derived from the operation of the System are pledged to the payment of the principal of and interest on the Local Bonds.

7. The Governmental Agency shall comply with the provisions of the Internal Revenue Code of 1986, as amended. As a condition precedent to the Authority's making the Loan, the Governmental Agency shall deliver to the Authority a certificate representing the following:

- (a) The Governmental Agency expects to enter into a contract within six months of the date thereof for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2-1/2 percent of the estimated total Project cost financed with proceeds from the sale of the Local Bonds or \$100,000;
- (b) Work with respect to the construction of the Project will proceed with due diligence to completion. Construction is expected to be completed within three years of May 22, 1986;
- (c) All of the proceeds from the sale of the Local Bonds which will be used for payment of costs of the Project, together with any investment earnings thereon, will be expended for such purpose by May 1, 1989;

- (d) The Governmental Agency does not expect to sell or otherwise dispose of the Project, in whole or in part, prior to the last maturity date of the Local Bonds; and
- (e) The Governmental Agency will comply with the provisions of the Internal Revenue Code of 1986, as amended, for which the effective date precedes the date of delivery of its Local Bond to the Authority.



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").

City of Paden City

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 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 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 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, as hereinafter defined, 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.

1.5 "Supplemental Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Supplemental Bonds pursuant to 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 any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and 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. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or

mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing and maintained so long as any of the Supplemental Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Supplemental Bonds is outstanding, business interruption insurance if available at a reasonable cost.

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 any and 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 but must be satisfactory to the Authority, 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 the Consulting Engineers, or such other person or firm experienced in the financing of water development projects and satisfactory to the Authority, to such effect, such certificate to be in form and substance satisfactory to the Authority, and evidence satisfactory to the Authority 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.

3.6 Anything in this Loan Agreement notwithstanding, if the Authority is unable to pay the proceeds of the Supplemental Bonds to the Governmental Agency on the Date of Loan Closing due to the time required for processing the purchase order or requisition for such moneys with the State,

the Authority may pay such proceeds as soon as received after the Date of Loan Closing; provided, that the Supplemental Bonds shall not evidence any debt to be repaid to the Authority until the proceeds thereof are received by the Governmental Agency.

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 bond proceeds, 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, including those specified by Section 2.8 hereof;

(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 any proceeds deposited in the Reserve Account or the Supplemental Reserve Account, 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, but shall otherwise be kept separate and apart from all other funds of the Governmental Agency; 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 and shall include, but not be limited to, legal fees paid 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 nugatory 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.

6.3 The Governmental Agency hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority for the planning or design of the Project, and such repayment shall be a condition precedent to the Authority's making the Supplemental Loan.

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 Schedule X 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, notwithstanding the date hereof, 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 Authority.

Town of Paden City
[Proper Name of Governmental Agency]

(SEAL)

By John H. Lee
Its Mayor

Attest:

Date: March 3, 1987

Bernadene Culp
Its Recorder

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

By Edgar N. Henry
Director

Attest:

Date: 3-20-87

Daniel B. Gorkosky
Secretary-Treasurer

WDA-Supp. 5X .
(November 1985)

SCHEDULE X
DESCRIPTION OF SUPPLEMENTAL BONDS

Principal Amount of Supplemental Bonds	\$ <u>131,574.00</u>
Purchase Price of Supplemental Bonds	\$ <u>131,574.00</u>

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:

Sewer Revenue Bonds dated November 1, 1958, in the original aggregate principal amount of \$232,000.

Exhibit 1

FADEN CITY SANITARY BOARD
ANALYSIS OF 7.00% BORROWING COST FOR LOCAL ISSUER
----- 1986 SERIES A BONDS -----

PERIOD ENDING 10/1	ZERO COUPON BONDS
1987	.00
1988	.00
1989	3,462.35
1990	3,462.45
1991	3,462.45
1992	3,462.45
1993	3,462.45
1994	3,462.45
1995	3,462.45
1996	3,462.45
1997	3,462.45
1998	3,462.45
1999	3,462.45
2000	3,462.45
2001	3,462.45
2002	3,462.45
2003	3,462.45
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2013	3,462.45
2014	3,462.45
2015	3,462.45
2016	3,462.45
2017	3,462.45
2018	3,462.45
2019	3,462.45
2020	3,462.45
2021	3,462.45
2022	3,462.45
2023	3,462.45
2024	3,462.45
2025	3,462.45
2026	3,463.45

131,574.00

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 Supplemental Bond proceeds, 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.

SCHEDULE 2

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

Agency owns a water facility (the "Water System"), the Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid.

5. To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

6. Subject to any prior or parity obligations described in Schedules X and Y attached to the Supplemental Loan Agreement, and to the prior lien of the Local Bonds, the net revenues derived from the operation of the System are pledged to the payment of the principal of the Supplemental Bonds.



Vertical text or barcode-like markings along the right edge of the page.

Public Service Commission Of West Virginia



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

November 14, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Honorable John H. Ice, Mayor
City of Paden City
208 West Main Street
P. O. Box 211
Paden City, West Virginia 26159

E. Earl Bowser, Jr., Esq.
251 Main Street
New Martinsville, West Virginia 26155

Re: Case No. 86-139-S-CN
City of Paden City

Gentlemen:

We are enclosing herewith two (2) copies of a Final Order entered by the Commission today which waives formal hearing in the above styled case, grants a certificate of convenience and necessity to construct, maintain and operate a sanitary sewer system to serve the Paden Park area of Paden City, and approves the proposed financing for the project.

Sincerely,

A handwritten signature in cursive script, appearing to read "Howard M. Cunningham".

Howard M. Cunningham
Executive Secretary

HMC/11
Enclosures

cc: Mrs. John W. Campbell
112 River Circle
Paden City, WV 26159

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: November 14, 1986

CASE NO. 86-139-S-CN

CITY OF PADEN CITY, a municipal corporation, Wetzel County.

Application for a certificate of convenience and necessity to construct wastewater collection system and treatment facility at the City of Paden City, Wetzel and Tyler Counties.

FINAL ORDER

On March 26, 1986, the City of Paden City, a municipal corporation, Wetzel County, filed a duly verified application for a certificate of convenience and necessity to construct a sewage collection system in the southern portion of the City known as Paden Park and to upgrade the existing 0.3 mgd primary treatment plant to a 0.6 mgd secondary treatment plant. The City of Paden City is under order from the Department of Natural Resources to upgrade its treatment facility by July, 1988 and provide sanitary sewage collection to the Paden Park area of the City.

Based upon information supplied with the original application as well as additional information submitted by the Applicant, the City of Paden City (City or Applicant) estimates that the construction cost will be approximately \$1,985,500. The City proposes to finance this amount with a grant from the United States Environmental Protection Agency (EPA) in the amount of \$1,191,600, with bonds from the Water Development Authority (WDA) in the amount of \$668,000 and a local share in the amount of \$125,900.

Pursuant to West Virginia Code §24-2-11, the City of Paden City, a municipal corporation, was directed to give notice of the filing of this

application by publishing a copy of the Commission's order of March 26, 1986, once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in each of the counties of Tyler and Wetzel, making due return to the Commission of proper certification of publication immediately after such publication. It was further provided that anyone desiring to make objection to the application must do so in writing within thirty (30) days after the publication of notice. The Commission further reserved the right to waive formal hearing and grant the application of the City of Paden City, based upon any objections received and upon the evidence submitted with the application and Commission review thereof. Publication of this application was made in the Tyler Star News and Wetzel Chronicle, on October 1, 1986. As of the date of this order, no protests have been received to the granting of this application.

Pursuant to standard Commission policy, this application was submitted to the Commission's various operating divisions for their respective review and recommendations. A review of the case file indicates that Staff has made a thorough and comprehensive investigation of the application. During the course of its review, Staff had to request of the Applicant that it be provided with additional documentation as well as responses to various data requests, which the Applicant complied with.

Staff's investigation of this application raised questions as to the economic feasibility for the project, upon completion, under the current rates. By letter dated June 4, 1986, counsel for the City informed the Commission that a new sewer rate ordinance was introduced and was to be adopted on June 19, 1986. These rates were to become effective upon the completion of construction of the treatment plant. Staff's investigation

now shows that under these rates, the City would have an annual surplus of \$24,055, which will adequately fund the project. The file also contains letters confirming availability of the EPA grant and WDA loan for use in the proposed project.

In addition to the City being under an order from the Department of Natural Resources to upgrade its existing treatment plant, it has also been ordered to provide sanitary sewer service to the Paden Park area of the City. This area has 14 existing homes with 12 septic tanks serving them. Under the EPA's innovative/alternate technology guidelines, it is proposed to use small diameter sewers (6-inch) to pick up effluent from the septic tanks in the Paden Park area. This area is described as being built up and has no potential for further development.

The City originally proposed to clean the septic tanks on an as-needed basis and maintain the sewers from the effluent pipe outlet to the main sewer. In addition, future customers were to be required to install septic tanks. Staff opposed this proposal and the City now agrees to adopt Staff's recommendations. The City will replace any presently existing and future installed septic tanks in the Paden Park area if and when necessary, once they are incorporated into the system. Prior to construction, all existing tanks are to be inspected and replaced where needed. Subject to receipt of protest of this application, Staff recommends its approval without hearing.

FINDINGS OF FACT

1. On March 26, 1986, the City of Paden City, a municipal corporation, filed a duly verified application for a certificate of convenience

and necessity to construct sanitary sewers in the Paden Park area of the City and to upgrade the existing 0.3 mgd primary treatment plant to a 0.6 mgd secondary treatment plant.

2. The City of Paden City is under an order from the Department of Natural Resources to upgrade its treatment facility by July 1988 and to provide sewers in the Paden Park area of the City.

3. The total estimated project cost will be approximately \$1,976,508.

4. The project will be financed by an EPA grant of \$1,191,608, a WDA loan of \$659,000 and local City funds of \$125,900. Of the City's share, \$71,800 has already been paid.

5. The Applicant will utilize rates and charges which have been placed into effect by lawfully enacted sewer ordinance, to become effective upon completion of the project. These rates and charges have become effective without appeal to the Commission pursuant to West Virginia Code §24-2-4b.

6. The Applicant has obtained a letter of approval for this project from the West Virginia Department of Natural Resources.

7. The City has obtained letters of commitment from the two outside funding sources, Environmental Protection Agency and Water Development Authority.

8. This project will allow the City of Paden City to provide better service to its customers, pursuant to an order of the West Virginia Department of Natural Resources, and to provide service to the Paden Park area of the City.

9. The Applicant has submitted affidavits of publication indicating that the publication requirements of West Virginia Code §24-2-11 have been

met. Publication was made in Wetzel and Tyler Counties. As of the date of this order, no written protests to the granting of the application have been received.

10. Staff has recommended, and the City has agreed, that the City will be responsible for the purchasing of new septic tanks, installation, maintenance, repair, replacement and accompanying rights-of-way. Prior to construction, all existing tanks will be inspected and replaced where needed.

11. Staff recommends approval of the project without hearing.

CONCLUSIONS OF LAW

Based upon a review of the application and of all the information contained in the case file, the Hearing Examiner is of the opinion, finds and concludes:

1. There exists a public need for the proposed upgrading of the sanitary sewer treatment plant of the City of Paden City, from its present capacity of 0.3 mgd to 0.6 mgd and upgrading of treatment from a primary level to the secondary treatment level. In addition, sanitary sewer service will now be provided to approximately 14 new customers located in the Paden Park area of the City of Paden City. These customers are presently receiving inadequate service and such inadequacies present a potential health hazard, as recognized by the West Virginia Department of Natural Resources.

2. The public convenience and necessity will best be served by the issuance of a certificate of convenience and necessity to the Applicant for the proposed project.

3. That the Applicant has provided adequate and proper notice to the public of this application.

4. That the proposed financing for this project is reasonable and should be approved.

5. This project is economically feasible, as proposed.

6. That good cause has been shown to waive formal hearing on this matter, pursuant to West Virginia Code §24-2-11.

7. The Applicant, City of Paden City, shall in the future accept responsibility for the purchasing of new septic tanks, installation, maintenance, repair, replacement and accompanying rights-of-way. Prior to construction, all existing tanks should be inspected and replaced where needed.

8. That the issuance of the certificate of convenience and necessity should be valid for this project as proposed and any substantial changes in the scope of this project and/or funding after being received, will require further Commission approval.

ORDER

IT IS, THEREFORE, ORDERED that:

1. Formal hearing on this matter be waived, pursuant to West Virginia Code §24-2-11, for the reasons that no protests were received after publication and there remains no outstanding issues to be litigated.

2. The proposed financing for this project be approved.

3. A certificate of convenience and necessity be, and it hereby is, granted to the City of Paden City for authority to construct, maintain and operate a sanitary sewer system to serve the Paden Park area of the City of Paden City as well as to upgrade the primary treatment plant with a

capacity of 0.3 mgd to a secondary treatment facility with a capacity of 0.6 mgd, as the same has been set out in this application.

4. The City of Paden City will accept responsibility for the purchasing of new septic tanks, installation, maintenance, repair, replacement and accompanying rights-of-way. Prior to construction, all existing septic tanks will be inspected and replaced where needed when they are incorporated into the City's sewer system, as the same has been described by the Commission's Staff and agreed to by the City of Paden City.

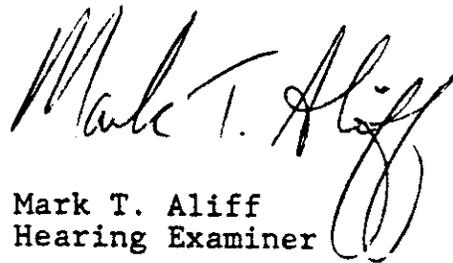
5. If any substantial changes in the scope of this project and/or funding become necessary after being received, the Applicant shall apply to the Commission for approval of the same.

6. The Executive Secretary of the Commission shall serve a copy of this order upon the Applicant by United States Certified Mail, return receipt requested, and upon the Commission Staff by hand delivery.

This order is issued pursuant to General Order No. 212, dated December 16, 1982, which order designates the Division of Hearing Examiners as the initial decision making body in the Public Service Commission and authorizes the Public Service Commission Hearing Examiners to issue orders on behalf of the Commission in all proceedings filed pursuant to Chapter 24 of the West Virginia Code, which proceedings are not set for hearing and which orders shall have the full force and effect of Commission orders, without the provision for the filing of exceptions thereto.

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's

Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.



Mark T. Aliff
Hearing Examiner

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: April 27, 1987

CASE NO. 86-139-S-CN (Reopened)

CITY OF PADEN CITY, a municipal corporation, Wetzel County.
Application for a certificate of convenience and necessity to construct wastewater collection system and treatment facilities at Paden City, Wetzel and Tyler Counties.

ORDER APPROVING REVISED PROJECT COST

On November 14, 1986, an order was entered in this proceeding granting a certificate of convenience and necessity unto the City of Paden City for authority to construct, maintain and operate a sanitary sewer system to serve the Paden Park area of the City of Paden City, as well as, to upgrade the primary treatment plant with the capacity of 0.3 mgd to a secondary treatment facility with the capacity of 0.6 mgd, as set forth in the application filed herein on March 26, 1986.

The project was originally estimated at a total cost of \$1,976,508, to be financed by an Environmental Protection Agency (EPA) grant of \$1,191,608, a Water Development Authority (WDA) loan of \$659,000 and local city funds of \$125,900. The City has paid \$71,800 of its share.

Since the certification of the above-described project, Paden City has experienced certain project cost overruns totaling \$322,500. The project is now estimated at \$2,308,000, as follows:

Step 1	Facilities Planning:	\$ 35,700
Step 2	Design:	135,100
Step 3	Construction:	
	Construction Cost	1,822,100
	Contingencies	91,100
	Engineering	124,000
	Legal	6,000
	Bond Counsel	8,000
	Accounting	6,000
	Administration	20,000
	Interest During Construction	60,000
	Total Project Costs	<u>\$2,308,000</u>

The City anticipates funding the increased cost with \$265,600 additional monies from the EPA Grant and \$67,000 in additional City funds, for a revised total funding package, as follows:

EPA Grant	\$1,457,200
WDA Loan	668,000
City Funds - Already Paid	79,900
Anticipated to be Paid	113,000
	<u>\$2,318,100</u>

Staff calculates the City's share of the revised project cost to be approximately \$10,100 less than the City's estimate, or a total of \$102,900.

In a memorandum dated April 23, 1987, the Special Studies Section of the Commission's Utilities Division advised that the City's existing rates would be sufficient to generate the local share of \$102,900 during the construction period.

Appendix A, attached hereto, reflects the revised interim cash flow analysis and Appendix B, attached hereto, reflects revised cash flow analysis after completion of construction. Staff has adjusted its initial interim cash flow analysis to reflect a decrease in interest earnings on unrestricted funds resulting in a decrease of the original \$69,316 annual cash surplus during construction by \$3,034 to an annual total of \$66,282. The reduced surplus is still greater than the required construction provision generating a coverage of 107.4%.

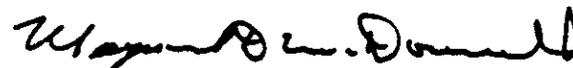
By memorandum dated April 24, 1987, Staff recommends that the revised project cost and financing, as above-described, be approved.

The Administrative Law Judge is of the opinion and finds that the revised project cost, and financing of the proposed sewer project, as certificated by order entered herein on November 14, 1986, are reasonable and should be authorized and approved; and

IT IT SO ORDERED.

This order is issued pursuant to General Order No. 212, dated December 16, 1982, which order designates the Division of Administrative Law Judges as the initial decision making body in the Public Service Commission and authorizes the Public Service Commission Administrative Law Judges to issue orders on behalf of the Commission in all proceedings filed pursuant to Chapter 24 of the West Virginia Code, which proceedings are not set for hearing and which orders shall have the full force and effect of Commission orders, without the provision for the filing of exceptions thereto.

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.


Maynard D. McDonnell
Administrative Law Judge

McD:dfs

CITY OF PADEN CITY
CASE NO. 86-139-S-CN (REOPENED)
INTERIM CASH FLOW ANALYSIS DURING CONSTRUCTION
REVISED FROM SEPTEMBER 19, 1986 MEMORANDUM

Cash Available	
Operating Revenue	\$137,689
Other Income	2,533
Total Available Cash	<u>\$140,222</u>
Cash Requirements	
Operation & Maintenance Expenses	\$ 66,973
Taxes Other Than Income Taxes	6,967
Total Cash Requirements Before Debt Service	<u>\$ 73,940</u>
Cash Available for Debt Service	\$ 66,282
Debt Service Requirements	-0-
Surplus	\$ 66,282
Annualized Required Construction Funding For Proposed Project	
\$102,900 ÷ 20 month Construction Period x 12 =	\$ 61,740
Surplus as a Percentage of Construction Provision	107.4%

CITY OF PADEN CITY
CASE NO. 86-139-S-CN (REOPENED)
CASH FLOW ANALYSIS AFTER CONSTRUCTION
UNDER CITY'S ENACTED RATES
REVISED FROM SEPTEMBER 19, 1986 MEMORANDUM

Cash Available	
Operating Revenues	\$165,862
Other Income	2,533
Total Available Cash	<u>\$168,395</u>
 Cash Requirements	
Operation and Maintenance Expenses	\$ 82,680
Taxes Other Than Income Taxes	9,000
Total Cash Requirements Before Debt Service	<u>\$ 91,680</u>
 Cash Available for Debt Service (A)	 \$ 76,715
 Debt Service Requirements	
Proposed Issue \$668,000, 38 yrs. 7% (B)	\$ 50,631
Reserve Requirement	5,063
Total Debt Service Requirements	<u>\$ 55,694</u>
 Surplus	 \$ 21,021
 Coverage (A) ÷ (B)	 137.7%



TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned, Edgar N. Henry, Director of West Virginia Water Development Authority, for and on behalf of West Virginia Water Development Authority (the "Authority") and John H. Ice, Mayor of the Town of Paden City (the "Issuer"), hereby certify as follows:

1. On the 28th day of April, 1987, the Authority received the entire original issue of \$668,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1987 A and Series 1987 B (collectively, the "Bonds"), issued as a single, fully registered Bond of each Series, numbered AR-1 and BR-1, respectively, both dated April 28, 1987, the Series 1987 A Bond being in the principal amount of \$536,426 and the Series 1987 B Bond being in the principal amount of \$131,574.

2. At the time of such receipt of the Bonds upon original issuance, all of the Bonds had been executed by John H. Ice, as Mayor of the Issuer, by his manual signature, and by Bernidene Culp, as Recorder of the Issuer, by her manual signature, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of the proceeds of the Series 1987 A Bonds in the aggregate amount of \$536,426. Proceeds of the Series 1987 B Bonds are expected to be received in approximately 60 days. Upon receipt of the proceeds of the Series 1987 B Bonds the Issuer will deliver to the Authority a receipt in substantially the form attached hereto as Exhibit A.

60

IN WITNESS WHEREOF, Edgar N. Henry duly signed and delivered this receipt on behalf of WEST VIRGINIA WATER DEVELOPMENT AUTHORITY and the TOWN OF PADEN CITY has caused this receipt to be executed by its Mayor, as of this 28th day of April, 1987.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By Edgar N. Henry
Director

TOWN OF PADEN CITY

By John H. Lee
Mayor

04/24/87
PADCI1-F

TOWN OF PADEN CITY

Sewer Revenue Bonds, Series 1987 B

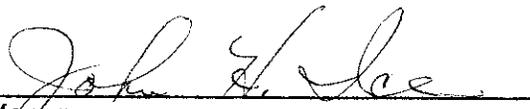
RECEIPT FOR SERIES 1987 B BOND PROCEEDS

The undersigned John H. Ice, Mayor of the Town of Paden City (the "Issuer"), hereby certifies that, on the 11th day of June, 1987, the Issuer received and hereby acknowledges receipt from the Authority, as the original purchaser of the captioned Bonds, the proceeds thereof in the amount of \$131,574 (100% of par).

IN WITNESS WHEREOF, the Town of Paden City has caused this receipt to be executed by its Mayor, as of this 11th day of June, 1987.

TOWN OF PADEN CITY

By



Mayor

04/29/87
PADCI1-G



TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Kanawha Valley Bank, National
Association
Charleston,
West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the Town of Paden City Sewer Revenue Bonds, Series 1987 A, in the principal amount of \$536,426, and Bond No. BR-1, constituting the entire original issue of the Town of Paden City Sewer Revenue Bonds, Series 1987 B, in the principal amount of \$131,574 both dated April 28, 1987 (collectively, the "Bonds"), executed by the Mayor and Recorder of the Town of Paden City (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance and Supplemental Resolution duly enacted and adopted by the Issuer (collectively, the "Local Act");

(2) A copy of the Local Act authorizing the above Bond issue, duly certified by the Recorder of the Issuer;

(3) Executed counterparts of the loan agreement and the supplemental loan agreement, both dated March 3, 1987, by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (collectively, the "Loan Agreement");

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

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the account of the Issuer of the sum of \$536,426, representing the agreed aggregate purchase price of the Series 1987 A Bonds, there being no accrued interest thereon (proceeds of the Series 1987 B Bonds expected to be received

in approximately 60 days). Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated by an authorized officer, as Bond Registrar, in accordance with the forms of Certificate of Authentication and Registration thereon.

Dated this 28th day of April, 1987.

TOWN OF PADEN CITY

By John G. Lee
Mayor

04/24/87
PADCI1-H



[SERIES 1987 A SPECIMEN BOND]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF PADEN CITY
SEWER REVENUE BOND, SERIES 1987 A

No. AR-1

\$536,426

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF PADEN CITY, a municipal corporation of the State of West Virginia in Wetzel and Tyler Counties of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FIVE HUNDRED THIRTY-SIX THOUSAND FOUR HUNDRED TWENTY-SIX DOLLARS (\$536,426), 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 Authority 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, 1987. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of Kanawha Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated March 3, 1987.

8

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions and improvements to the existing sewage facilities of the Issuer (the "Project"); (ii) to pay interest on the Bonds of this series (the "Bonds") during the construction of the Project; and (iii) 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance and Supplemental Resolution, duly enacted and adopted, respectively, by the Issuer on March 23, 1987 (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 1987 B, of the Issuer (the "Series 1987 B Bonds"), issued in the aggregate principal amount of \$131,574, which Series 1987 B Bonds are junior and subordinate with respect to liens and sources of and security for payment to the Bonds.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation), which pledge is junior and subordinate in all respects to the pledge of the Net Revenues securing the Issuer's Sewer Revenue Bonds, dated November 1, 1958, issued in the original aggregate principal amount of \$232,000 (the "1958 Bonds"), to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1987 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 1987 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, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to

pay the maximum amount due in any year of principal of and interest on the 1958 Bonds, the Bonds, the Series 1987 B Bonds, and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds or the Series 1987 B Bonds, provided however, that so long as there exists in the Series 1987 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in any year, and in the reserve accounts established for the Series 1987 B Bonds and any other obligations outstanding prior to or on a parity with the Bonds or the Series 1987 B Bonds, including without limitation the reserve for contingencies in the Sewer Revenue Bond Interest and Sinking Fund established in connection with the 1958 Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGES AND SOURCES OF AND SECURITY FOR PAYMENT FROM SUCH NET REVENUES TO THE 1958 BONDS DESCRIBED HEREIN.

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, the TOWN OF PADEN CITY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed hereon and attested by its Recorder, and has caused this Bond to be dated April 28, 1987.

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1987 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: April 28, 1987

KANAWHA VALLEY BANK, NATIONAL
ASSOCIATION, as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

PERIOD ENDING	10/1 COUPON PRIN.	INTEREST	SERVICE
1987	8.38		19,104.85
1988	8.38		44,952.58
1989	8.38	2,216	44,952.58
1990	8.38	2,402	47,168.88
1991	8.38	2,603	47,168.88
1992	8.38	2,821	47,168.59
1993	8.38	3,058	47,168.46
1994	8.38	3,314	47,169.06
1995	8.38	3,592	47,168.90
1996	8.38	3,892	47,169.09
1997	8.38	4,219	47,168.08
1998	8.38	4,572	47,168.93
1999	8.38	4,955	47,168.38
2000	8.38	5,371	47,168.24
2001	8.38	5,821	47,169.02
2002	8.38	6,308	47,168.93
2003	8.38	6,837	47,168.13
2004	8.38	7,410	47,168.52
2005	8.38	8,031	47,168.58
2006	8.38	8,704	47,168.62
2007	8.38	9,433	47,168.62
2008	8.38	10,224	47,168.22
2009	8.38	11,081	47,168.74
2010	8.38	12,009	47,168.97
2011	8.38	13,016	47,168.38
2012	8.38	14,106	47,169.03
2013	8.38	15,288	47,168.28
2014	8.38	16,570	47,168.20
2015	8.38	17,958	47,169.07
2016	8.38	19,463	47,168.50
2017	8.38	21,094	47,168.62
2018	8.38	22,862	47,168.62
2019	8.38	24,778	47,168.94
2020	8.38	26,854	47,169.11
2021	8.38	29,104	47,168.71
2022	8.38	31,543	47,168.35
2023	8.38	34,187	47,168.43
2024	8.38	37,052	47,169.13
2025	8.38	40,156	47,169.26
2026	8.38	43,522	47,168.30
			47,169.23
	536,426	1,320,041.03	1,856,467.03

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:

04/27/87
PADCI1-W

(SERIES 1987 B SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF PADEN CITY
SEWER REVENUE BOND, SERIES 1987 B

No. BR-1

\$131,574

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF PADEN CITY, a municipal corporation of the State of West Virginia in Wetzel and Tyler Counties of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of ONE HUNDRED THIRTY-ONE THOUSAND FIVE HUNDRED SEVENTY-FOUR DOLLARS (\$131,574), 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 at any time, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Supplemental Loan Agreement between the Issuer and the Authority, dated March 3, 1987.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions and improvements to the existing sewage 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 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance and Supplemental Resolution, duly enacted and adopted, respectively, by the Issuer on March 23, 1987 (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 account of the Issuer's Sewer Revenue Bonds dated November 1, 1958, issued in the original principal amount of \$232,000 (the "1958 Bonds") and the Series 1987 A Bonds herein described, moneys in the Reserve Account created under the Bond Legislation for the Bonds of this series (the "Series 1987 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 1987 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, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the amount required to pay the maximum amount due in any year of principal of and interest, if any, on the 1958 Bonds, the Bonds, the Series 1987 A Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Series 1987 A Bonds or the Bonds, provided however, that so long as there exists in the Series 1987 B Bonds Reserve Account and the reserve account established for the Series 1987 A Bonds, respectively, amounts at least equal to the maximum amount of principal and interest which will become due on the Bonds and the Series 1987 A Bonds in any year, and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, including without limitation the reserve for contingencies in the Sewer Revenue Bond Interest and Sinking Fund established in connection with the 1958 Bonds, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively

as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of Kanawha Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner 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, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owners of the Bonds, which lien is subordinate to the lien in favor of the registered owners of the Series 1987 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 1987 A, OF THE ISSUER (THE "SERIES 1987 A BONDS"), ISSUED CONCURRENTLY HEREWITH AND DESCRIBED IN THE BOND LEGISLATION AND THE 1958 BONDS DESCRIBED HEREIN, EXCEPT WITH RESPECT TO THE SERIES 1987 B BONDS RESERVE ACCOUNT.

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, the TOWN OF PADEN CITY has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed hereon and attested by its Recorder, and has caused this Bond to be dated April 28, 1987.

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1987 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: April 28, 1987

KANAWHA VALLEY BANK, NATIONAL
ASSOCIATION, as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

PERIOD ENDING 10/1	ZERO COUPON BONDS
1987	.00
1988	.00
1989	3,462.35
1990	3,462.45
1991	3,462.45
1992	3,462.45
1993	3,462.45
1994	3,462.45
1995	3,462.45
1996	3,462.45
1997	3,462.45
1998	3,462.45
1999	3,462.45
2000	3,462.45
2001	3,462.45
2002	3,462.45
2003	3,462.45
2004	3,462.45
2005	3,462.45
2006	3,462.45
2007	3,462.45
2008	3,462.45
2009	3,462.45
2010	3,462.45
2011	3,462.45
2012	3,462.45
2013	3,462.45
2014	3,462.45
2015	3,462.45
2016	3,462.45
2017	3,462.45
2018	3,462.45
2019	3,462.45
2020	3,462.45
2021	3,462.45
2022	3,462.45
2023	3,462.45
2024	3,462.45
2025	3,462.45
2026	3,463.45

131,574.00

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:

04/27/87
PADCI1-X



STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

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CHARLESTON OFFICE

715 CHARLESTON NATIONAL PLAZA

P. O. BOX 1588

CHARLESTON, W. VA. 25326

(304) 342-2191

April 28, 1987

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
MARTIN R. SMITH, JR.

OF COUNSEL

ROBERT W. LAWSON, JR.
EDWARD W. EARDLEY
EUGENE G. EASON

WRITER'S DIRECT DIAL NUMBER

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WILLIAM E. GALEOTA
GORDON H. COPLAND
RANDALL C. LIGHT
RICHARD M. YURKO, JR.
GARY W. NICKERSON
W. RANDOLPH FIFE

Town of Paden City Sewer Revenue Bonds, Series 1987 A

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

Gentlemen:

We are bond counsel to the Town of Paden City (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia.

We have examined the law and certified copies of proceedings and other papers relating to (i) the authorization of a loan agreement, dated March 3, 1987, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Issuer, dated April 28, 1987 (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 \$536,426, 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, 1987, at the rate of 8.38% per annum, and with principal installments payable on October 1 in each of the years 1989 through 2026, 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, Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Local Statute"), for the purposes of (i) permanently financing a portion of the costs of acquisition and construction of certain

additions and improvements to the existing sewerage facilities of the Issuer (the "Project"); (ii) paying interest on the Local Bonds during the construction of the Project; and (iii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, the bond ordinance and supplemental resolution duly enacted and adopted, respectively, by the Issuer on March 23, 1987 (collectively, the "Local Act"), pursuant to which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement that has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing, we are of the opinion, under existing law, that:

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

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

3. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project 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 Issuer has legally and effectively enacted and adopted the Local Act and all other necessary ordinances and resolutions in connection with the issuance and sale of the Local Bonds. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

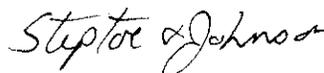
5. The Local Bonds are valid and legally enforceable special obligations of the Issuer, payable from the net revenues of the System referred to in the Local Act and secured by a lien on and pledge of the net revenues of said System, but junior and subordinate to the lien on such net revenues securing the Issuer's Sewer Revenue Bonds dated November 1, 1958, issued in the original aggregate principal amount of \$232,000, 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 Statute, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof, and the interest on the Local Bonds is exempt from personal and corporate income taxes imposed directly thereon by the State of West Virginia. The interest on the Local Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in clause (a) above is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Local Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Local Bonds to be so included in gross income retroactive to the date of issuance of the Local Bonds. The Issuer has covenanted to comply with all such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Local Bonds.

It is to be understood 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 heretofore or hereafter enacted (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 and authenticated Local Bond numbered AR-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,



STEPTOE & JOHNSON



STEPTOE & JOHNSON

ATTORNEYS AT LAW

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April 28, 1987

CHARLESTON

CHARLES W. YEAGER
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OTIS L. O'CONNOR
WAYNE A. SINCLAIR
JAMES R. WATSON
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RANDALL C. LIGHT
RICHARD M. YURKO, JR.
GARY W. NICKERSON
W. RANDOLPH FIFE

Town of Paden City Sewer Revenue Bonds, Series 1987 B

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

Gentlemen:

We are bond counsel to the Town of Paden City (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia.

We have examined the law and certified copies of proceedings and other papers relating to (i) the authorization of a supplemental loan agreement, dated March 3, 1987, including all schedules and exhibits attached thereto (the "Supplemental Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of supplemental, subordinate revenue bonds of the Issuer, dated April 28, 1987 (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 \$131,574, 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 1989 through 2026, 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 March 3, 1987, between the Issuer and the Authority (the "Loan Agreement"). The Supplemental Bonds are junior, subordinate and inferior as to lien and source of and security for payment from the net revenues of the System to the bonds issued pursuant to the Loan Agreement and designated

"Sewer Revenue Bonds, Series 1987 A" (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, Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Local Statute"), for the purposes of (i) permanently financing a portion of the costs of acquisition and construction of additions and improvements to the existing sewerage facilities of the Issuer (the "Project") and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, the bond ordinance and supplemental resolution duly enacted and adopted, respectively, by the Issuer on March 23, 1987 (collectively, the "Local Act"), pursuant to which Local Statute and Local Act the Supplemental Bonds are authorized and issued, and the Supplemental Loan Agreement that has been undertaken. 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, we are of the opinion, under existing law, that:

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

2. The 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 Issuer without the consent of the Authority.

3. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project 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. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Supplemental Loan Agreement.

4. The Issuer has legally and effectively enacted and adopted the Local Act and all other necessary ordinances and 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 Issuer, 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 and to that created for the Issuer's Sewer Revenue Bonds dated November 1, 1958, issued in the original aggregate principal amount of \$232,000, 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 Issuer 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 Statute, exempt from taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

It is to be understood that the rights of the holders of the Supplemental Bonds and the enforceability of the Supplemental Bonds, the Local Act and the Supplemental Loan Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted (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 and authenticated 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,

Step toe & Johnson

STEPTOE & JOHNSON

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

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April 28, 1987

CHARLESTON

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W. RANDOLPH FIFE

OF COUNSEL
ROBERT W. LAWSON, JR.

WRITER'S DIRECT DIAL NUMBER

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GORDON H. COPLAND
RANDALL C. LIGHT
RICHARD M. YURKO, JR.
GARY W. NICKERSON
LOUIS E. ENDERLE
ROBERT J. SCHIAVONI

Town of Paden City Sewer Revenue Bonds, Series 1987 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 \$536,426.00 aggregate principal amount of Sewer Revenue Bonds, Series 1987 A (the "Local Bonds"), of the Town of Paden City (the "Issuer"), and a Certificate as to Arbitrage executed by the Mayor of the Issuer on this date.

Based upon such Certificate as to Arbitrage, 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 148 of the Internal Revenue Code of 1986 (the "Code") to support the conclusion that the Local Bonds are not "arbitrage bonds" as therein defined. No matters have come to our attention which make unreasonable or incorrect such statements, expectations or representations.

In the Certificate as to Arbitrage, the Issuer represented, among other things, that (i) the Issuer has general taxing powers to finance operations of or facilities of the nature of the Project; (ii) the Local Bonds are not private activity bonds within the meaning of the Code; (iii) 95% or more of the net proceeds of the Local Bonds are to be used for local governmental activities of the Issuer; (iv) the Issuer and all subordinate entities will issue less than \$5,000,000 aggregate principal amount of tax-exempt bonds during the calendar year 1987, being the calendar year in which the Local Bonds were issued; and (v) the Issuer has issued no other obligations during such calendar year other than the Series 1987 B Bonds

West Virginia Water Development Authority
Page 2

described in such Certificate as to Arbitrage. We express no opinion herein as to the taxability of the interest on the Local Bonds in the event of the failure to comply with the other requirements and restrictions of Sections 103 and 148 of the Code and any regulations and rulings thereunder.

Accordingly, it is our opinion that, under existing law, the Local Bonds are not "arbitrage bonds" as so defined. It is our further opinion, based upon such Certificate as to Arbitrage and as more particularly set forth herein, that proceeds of the Local Bonds are not subject to the arbitrage rebate requirements set forth in Section 148(f) of the Code.

Very truly yours,

Step toe & Johnson

STEPTOE & JOHNSON

05/08/87
PADCI1-K

SNYDER & HASSIG
ATTORNEYS AT LAW
NEW MARTINSVILLE, W. VA. 26155

HENRY P. SNYDER (RETIRED)
RONALD R. HASSIG (1914-1985)
LOGAN HASSIG
ELMER EARL BOWSER, JR.
PHILIP B. HILL
THOMAS M. WOODWARD

(304) 455-2180

OFFICES
NEW MARTINSVILLE, W. VA.
P. O. BOX 189
SISTERSVILLE, W. VA.
P. O. BOX 166

April 28, 1987

Town of Paden City
Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

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

Steptoe & Johnson
Post Office Box 2190
Clarksburg, West Virginia 26301

Gentlemen:

I am counsel to the Town of Paden City, in Wetzel and Tyler Counties, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinions of Steptoe & Johnson, as bond counsel, a loan agreement and supplemental loan agreement, both dated March 3, 1987, by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (collectively, the "Loan Agreement"), the Local Act (as defined therein) and other documents relating to the above-captioned Bonds of the Issuer. Terms used in said opinions, Local Act and Loan Agreement and not otherwise defined herein have the same meanings herein.

We are of the opinion that:

1. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority, constitutes a valid and binding agreement of the Issuer in accordance with its terms.
2. The members of the council of the Issuer have been duly and properly elected, have taken the requisite oaths, and are authorized to act on behalf of the Issuer.
3. The Local Act has been duly enacted and adopted by the Issuer and is in full force and effect.
4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the 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 Issuer a breach of or default under any agreement

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

5. The Issuer has received all permits, licenses, approvals and authorizations necessary for the issuance of the Bonds, acquisition and construction of the Project, operation of the System and imposition of rates and charges, including without limitation the receipt of all requisite orders and approvals from the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance and the re-enactment of an ordinance prescribing such rates and charges. The respective times for appeal of such rate ordinances and orders and approvals of the Public Service Commission of West Virginia have expired prior to the date hereof without any appeal.

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

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

Very truly yours,

SNYDER & HASSIG

Elmer Earl Bowser, Jr.

EEB/bb



TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. GRANTS
11. LOAN AGREEMENT
12. RATES
13. SIGNATURES AND DELIVERY
14. BOND PROCEEDS
15. PUBLICATION AND PUBLIC HEARING ON BOND
ORDINANCE
16. PRIVATE USE OF FACILITIES
17. NO FEDERAL GUARANTY
18. INFORMATION RETURN
19. SPECIMEN BONDS

We, the undersigned MAYOR and the undersigned RECORDER of the Town of Paden City in Wetzel and Tyler Counties, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the \$668,000 aggregate principal amount of the Town of Paden City Sewer Revenue Bonds, Series 1987 A and Series 1987 B (collectively, the "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 Ordinance of the Issuer enacted March 23, 1987, and a Supplemental Resolution adopted March 23, 1987 (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 Bonds, acquisition and construction of the Project, operation of the

System, receipt of the Grant Receipts or the Gross Revenues, or in any way contesting or affecting the validity of the Bonds or the Grants or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, acquisition and construction of the Project, operation of the System, receipt of the Grant Receipts or Gross Revenues or such pledge or application of moneys and security or the collection of the Net Revenues or pledge thereof.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals and certificates required by law for acquisition and construction of the Project, operation of the System and issuance of the Bonds have been obtained and remain in full force and effect, and competitive bids for acquisition and 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 Issuer since the approval and execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement entered into between the Issuer and the Authority. There are no outstanding debt obligations of the Issuer, or obligations for which full and irrevocable provision for payment has not been made, which are secured by revenues or assets of the System, except for the Issuer's Sewer Revenue Bonds dated November 1, 1958, issued in the original aggregate principal amount of \$232,000, of which \$107,000 amount remains outstanding, which will rank senior and prior to the Bonds with respect to lien on and source of and security for payment from the Net Revenues.

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:

Charter of the Town of Paden City.

Oaths of Office of Councilmembers.

Ordinance Establishing Sanitary Board.

Petition of Sanitary Board.

Bond Ordinance.

Supplemental Resolution.

Rate Ordinance and Re-enacted Rate Ordinance.

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

Affidavits of Publication of Rate Ordinance and Re-enacted Rate Ordinance and Notices of Public Hearings.

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

Loan Agreement.

EPA Grant Agreement, as amended.

Public Service Commission Order entered November 14, 1986.

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is the "Town of Paden City" and it is a municipal corporation in Wetzel and Tyler Counties and presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Council consisting of 8 members, a Mayor and Recorder, whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>		<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
John H. Ice	- Mayor	July 1, 1986	June 30, 1988
Bernidene Culp	- Recorder	July 1, 1985	June 30, 1987
Robert Cecil	- Councilmember	July 1, 1986	June 30, 1988
Lawrence Eddy	- Councilmember	July 1, 1986	June 30, 1988
John Renner	- Councilmember	July 1, 1986	June 30, 1988
Eileen Smittle	- Councilmember	July 1, 1986	June 30, 1988
Kenneth Stewart	- Councilmember	July 1, 1985	June 30, 1987
John Staggers	- Councilmember	July 1, 1985	June 30, 1987
Donald Estep	- Councilmember	July 1, 1985	June 30, 1987
John Clark	- Councilmember	July 1, 1985	June 30, 1987

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

John H. Ice	-	Chairman
Leroy Leach	-	Member
A. M. Sanghavi, P.E.	-	Member

The duly appointed and acting counsel to the Issuer is Snyder & Hassig, New Martinsville, West Virginia.

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

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the acquisition, construction, operation and financing of the Project or the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including 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. All notices required to be posted or published were so posted or published.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Local Act. The System is presently covered by a policy of flood insurance but not business interruption insurance, but will be if such coverage are available at reasonable cost.

10. GRANTS: As of the date hereof, the EPA Grant in the amount of \$1,430,670 is committed and in force and effect.

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

12. RATES: The Issuer has duly enacted an Ordinance on June 19, 1986, and re-enacted March 23, 1987, setting rates and charges for the services of the System. Such ordinances are presently in full force and effect, the period for appeal of such ordinance has expired and there has been no appeal thereof.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, all dated April 28, 1987, by his manual signature, and the undersigned Recorder did officially cause the official seal of the Issuer to be imprinted upon each of said Bonds and to be attested by her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof the Issuer received from the Authority the agreed purchase price of the Series 1987 A Bonds, being \$536,426 (100% of par value), there being

no interest accrued thereon. Proceeds of the Series 1987 B Bonds in the amount of \$131,574 are expected to be received in approximately 60 days.

15. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in two newspapers of general circulation in the Town of Paden City, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on the 23rd day of March, 1987, at 7:00 p.m., in the Council Chambers of the Town Hall of the Town of Paden City and present protests, and stating that a certified copy of the Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the Recorder. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

16. PRIVATE USE OF FACILITIES: The Issuer shall at all times take, and refrain from taking, and shall not fail to take, any and all actions necessary in order to assure the initial and continued tax-exempt status of the Bonds. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly, for any private business use, and less than 10% of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal on, or the interest on, such issue, under the terms of any underlying arrangement, is, directly or indirectly, secured by any interest in property used, or to be used for a private business use, payments in respect of such property or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private

business use, which is not related to any government use of such proceeds, including the disproportionate business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person other than a governmental unit, other than use as a member of the general public, all within the meaning of Section 141 of the Code.

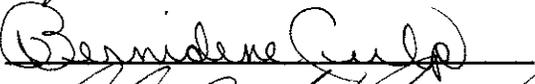
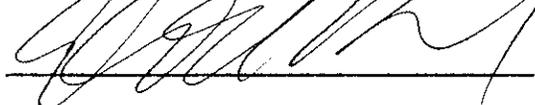
17. NO FEDERAL GUARANTY: The Bonds are not, in whole or part, and will not be, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

18. INFORMATION RETURN: The information contained in the Information Return to be filed pursuant to Section 149(e) of the Code in connection with the issuance of the Bonds is true, complete and correct.

19. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Bonds.

WITNESS our signatures and the official seal of the TOWN OF PADEN CITY on this 28th day of April, 1987.

[CORPORATE SEAL]

<u>SIGNATURE</u>	<u>OFFICIAL TITLE</u>
	Mayor
	Recorder
	Counsel to Issuer

04/27/87
FADCI1-M



TOWN OF PADEN CITY

Sewer Revenue Bonds, Series 1987 A

CERTIFICATE AS TO ARBITRAGE

I, John H. Ice, Mayor of the Town of Paden City, in Wetzel and Tyler Counties, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$536,426 aggregate principal amount of Sewer Revenue Bonds, Series 1987 A, of the Issuer, dated April 28, 1987 (the "Local Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Sections 103 and 148 of the Internal Revenue Code of 1986 (including any amendments and successor provisions and the rules and regulations thereunder, the "Code"). I am one of the officers of the Issuer charged with the responsibility of issuing the Local Bonds. I am familiar with the facts, circumstances, and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Issuer.

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on April 28, 1987, the date on which the Local 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 Issuer set forth herein are reasonable.

5. In the ordinance pursuant to which the Local Bonds are issued, the Issuer has covenanted to make no use of the proceeds of the Local Bonds which would cause the Local Bonds to be "arbitrage bonds" within the meaning of the Code.

6. The Local Bonds were sold on April 28, 1987, to the West Virginia Water Development Authority (the "Authority") for an aggregate purchase price of \$536,426 (100% of par).

7. The Local Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of paying a portion of the costs of acquisition and construction of certain additions and improvements to the existing sewerage facilities of the Issuer (the "Project"), capitalizing interest on the Local Bonds and paying costs of issuance thereof.

8. The Issuer shall, within 6 months following delivery of the Local Bonds, enter into agreements which require the Issuer to expend in excess of \$100,000 on the Project or has already done so. Acquisition and construction of the Project will proceed with due diligence to completion, and, with the exception of proceeds constituting capitalized interest, all of the proceeds from the sale of the Local Bonds, together with any investment earnings thereon, will be expended for payment of Costs of the Project on or before December, 1987. Acquisition and construction of the Project is expected to be completed by September, 1988.

9. The total cost of the Project is estimated at \$2,320,760.50. The amount of Project costs not expected to be reimbursed or paid from grants, tap fees and funds on hand is estimated to be at least \$668,000 (including \$131,574 with respect to the Series 1987 B Bonds). Except for the proceeds of the Local Bonds, the Series 1987 B Bonds, the EPA Grant, the tap fees, and funds on hand in the amount of \$148,389.03, no other funds of the Issuer 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 (or continued in the case of the Revenue Fund):

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

(4) Series 1987 A Bonds Sinking Fund, and within the Series 1987 A Bonds Sinking Fund the Series 1987 A Bonds Reserve Account; and

(5) Series 1987 B Bonds Sinking Fund, and within the Series 1987 B Bonds Sinking Fund the Series 1987 B Bonds Reserve Account.

11. Pursuant to Article VI of the Local Act the proceeds of the Local Bonds (and the Series 1987 B Bonds described in the Local Act, which bear no interest) will be deposited as follows:

(1) Local Bonds proceeds in the amount of \$60,000 will be deposited in the Series 1987 A Bonds Sinking Fund to pay interest on the Series 1987 A Bonds for a period of approximately 15 months.

(2) Local Bonds proceeds in the amount of \$-0- will be deposited in the Series 1987 A Bonds Reserve Account and Series 1987 B Bonds proceeds \$-0- will be deposited in the Series 1987 B Bonds Reserve Account.

(3) The balance of the proceeds of the Local Bonds and the Series 1987 B Bonds will be deposited in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project, including costs of issuance of the Local Bonds and related costs.

12. All moneys in the Series 1987 A Bonds Sinking Fund (with the exception of investment earnings thereon) will be held for the payment of the interest to accrue on the Local Bonds on or prior to the maturity thereof. Moneys held in the Series 1987 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Local Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 1987 A Bonds Sinking Fund and Series 1987 A Bonds Reserve Account will be deposited, not less than once each year in the Revenue Fund, and such amounts will be applied in full, first to the next ensuing interest payment, if any, due on the Series 1987 A Bonds, and then to the next ensuing principal payment due thereon.

13. Except for the Series 1987 A Bonds Sinking Fund and the Series 1987 A Bonds Reserve Account thereon, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Local Bonds or which are pledged as collateral for the Local Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Local Bonds, if the Issuer encounters financial difficulties.

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

15. With the exception of the amounts deposited in the Series 1987 A Bonds Sinking Fund for payment of interest on the Local Bonds, all of the proceeds of the Local Bonds will be expended on the Project within 8 months from the date of issuance thereof.

16. Any money deposited in the Series 1987 A Bonds Sinking Fund for payment of the principal of or interest on the Local Bonds (other than the Series 1987 A Bonds Reserve Account therein) will be spent within a 13-month period beginning on the date of receipt.

17. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the System; the Local Bonds are not private activity bonds within the meaning of Section 141 of the Code; 95% or more of the net proceeds (as defined in the Code) of the Local Bonds are to be used for local governmental activities of the Issuer; the Issuer and all subordinate entities will issue less than \$5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) during the calendar year 1987, the year in which the Local Bonds are to be issued; and the Issuer has issued no other obligations during the calendar year of 1987 except for the Series 1987 B Bonds, which bear no interest.

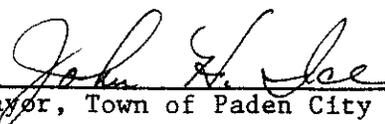
18. The Issuer will take all further actions necessary to comply with the Code and any regulations to be promulgated thereunder.

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

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

21. The undersigned acknowledges that it is intended that interest on the Series 1987 A Bonds be excluded from federal income tax in the hands of the owners thereof, that the firm of Steptoe & Johnson, is rendering an opinion on the date hereof to said effect, and that, in rendering said opinion, said firm is relying, among other things, upon the statements made herein.

IN WITNESS WHEREOF, I have set my hand this 28th day of
April, 1987.



Mayor, Town of Paden City

04/27/87
PADCI1-N



TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

ENGINEER'S CERTIFICATE

I, A. M. Sanghavi, Registered Professional Engineer, West Virginia License No. 6177 of S & S Engineers, Inc., consulting engineers, of Charleston, West Virginia hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain municipal sewerage facilities (the "Project") for the Town of Paden City in Wetzel and Tyler Counties, West Virginia (the "Issuer"). Certain costs of such acquisition and construction are being financed in part by proceeds of the above-captioned bonds (the "Bonds") and out of certain grant proceeds from the United States Environmental Protection Agency (EPA).

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, or amendments thereto, and as described in the Application submitted to the WDA and approved by all necessary governmental bodies and is situate wholly or chiefly within the boundaries of the Town of Paden City; (ii) the Project is adequate for the purpose for which it was designed and all necessary governmental approvals for the acquisition and 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 acquisition and construction of the Project have been received in an amount and are otherwise compatible with the plan of financing described in said Application and my firm will ascertain that all contractors have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds will be verified for accuracy and completeness prior to commencement of acquisition and construction of the Project; (iv) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States of America necessary for acquisition and construction of the Project, including without limitation permits from the EPA and the West Virginia Department of Natural Resources and approval of the "Part B" supplement to the EPA grant agreement; (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 Issuer comply with the applicable provisions of the Loan Agreement and Supplemental Loan Agreement by and between WDA and the Issuer; and (viii) the net proceeds of the Bonds, together with the proceeds of grants irrevocably committed therefor and other moneys on deposit or to be simultaneously deposited and 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.

WITNESS my signature on this 28th day of April, 1987.

S & S ENGINEERS, INC.

By *Amsang Jari*

04/24/87
PADCI1-0



VAN SLIDER, JR., CPA
316 S. FOURTH AVENUE-P.O. BOX 173
PADEN CITY, WEST VIRGINIA 26159
(337-8666)

April 28, 1987

Town of Paden City
Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25065

Gentlemen:

Based upon the rates and charges as set forth in an ordinance of the Town of Paden City enacted June 19, 1986, and re-enacted March 23, 1987, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by S & S Engineers, Inc., consulting engineers, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of the Town of Paden City, will pay all repair, operation and maintenance 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 Sewer Revenue Bonds, Series 1987 A and Series 1987 B, to be issued to West Virginia Water Development Authority and all other obligations secured or payable from the revenues of the System prior to or on a parity with such Bonds, including the 1958 Bonds.

Very truly yours,



Van Slider, Jr.
Certified Public Accountant



*Examinations - Copy
Jan. 1977*

Madison City Charter

Passed

February 28, 1929

Baden City

2,282,779 square

524 acres

.83 square miles

approximately 2 miles long
3,000 ft. wide
in center

According to Craig Smith, Engineer

CHAPTER 5

(Senate Bill No. 143—By Mr. Reitz)

AN ACT to incorporate the Town of Paden City in the counties of Wetzel and Tyler, state of West Virginia, fixing its corporate limits and prescribing and defining the powers and duties of said town and the officers of same.

[Passed February 28, 1929; in effect from Passage. Approved by the Governor.]

SEC.		SEC.	
1.	Town a body corporate.	7.	Chief of police; appointment, qualifications and term of office.
2.	Corporate boundaries.	8.	Mayor and recorder; term of office.
3.	Division into wards.	9.	Common council, term of office; mayor and recorder, term of office.
4.	Common council; number and compensation.		
5.	Corporate powers invested in council.		
6.	Elective officers, number and qualifications.		

Sec.		Sec.	
10.	Elective officers; beginning of term.		levy and collection of taxes; total indebtedness; provision as to franchises.
11.	Ward precincts; voter to vote in ward where he resides.	30.	Powers of council as to wharves, etc.
11. (a)	Nominating conventions; provisions concerning.	30. (a)	Municipal electric light plant.
12.	Qualification of voters.	31.	Right of eminent domain; organization of fire companies.
13.	Elections; how held and result returned.	31. (a)	Employment of counsel by council.
14.	Tie vote decided by council.	32.	Street labor by male residents.
15.	Contested elections determined by council.	33.	Duties of council as to the poor; exemption of county poor taxes.
16.	Vacancies in elective or appointive office; how filled.	34.	Board of health; number, qualification and powers.
16. (a)	Removal of officers for cause; removal of certain appointive officers at will.	35.	Grading, etc., of streets upon petition; how cost of paid; paving by street car or other railroad company; provisions concerning certificates for assessment for paving; lien of assessments.
17.	Power of chief of police to collect taxes; appointment of other officers by council; appointment of policemen by mayor; appointment, power and bond of officers elected or appointed by council; how removed; chief of police, power as to arrests and collection of taxes and licenses.	36.	Duties of recorder as <i>ex-officio</i> assessor; duties of council as to recorder's assessment book.
18.	Bond and oath of officers.	37.	Lien for taxes, how enforced.
19.	Vacancies in office; how filled.	38.	Duties of chief of police as <i>ex-officio</i> tax collector; bond.
20.	Powers and duties of mayor; appeals from decision.	39.	Council to prescribe form of licenses.
21.	Duties of recorder.	40.	State license law to be applicable to town; licenses for dogs.
22.	Form of council.	41.	Chief of police to preserve order.
23.	Minute books of council.	42.	Duties of mayor as <i>ex-officio</i> street commissioner.
24.	Reading of minutes; ayes and noes.	43.	Council to pass all proper ordinances to give effect to act; present officers to continue until end of term; general laws, not inconsistent herewith, to govern; present ordinances, rights, etc., to continue in force.
25.	Mayor to have deciding vote in case of tie.		
26.	Meetings of council; notice of special meeting.		
27.	Disbursement of town's money.		
28.	Bond of recorder as <i>ex-officio</i> treasurer and assessor.		
29.	Powers of council; enforcement of ordinances; licenses.		

Be it enacted by the Legislature of West Virginia:

Section 1. That the inhabitants of so much of the counties 2 of Wetzel and Tyler as are within the bounds prescribed by 3 section two of this act and their successors, shall be and remain, 4 and they are hereby made a body politic, incorporated by the 5 name of the Town of Paden City and as such shall have per- 6 petual succession and a common seal, and by that name may 7 sue and be sued, plead and be impleaded, purchase, lease and 8 hold real estate and personal property necessary for the use 9 and purpose of said incorporation.

Sec. 2. The corporate limits of said town shall, until other- 2 wise modified or extended be as follows: Beginning at a stake 3 at the low water mark at the Ohio river on the lands owned by 4 the Milton Paden heirs; thence through the lands of said heirs

5 across the Baltimore and Ohio Railroad Company's right of
6 way south twenty-nine degrees fifty minutes east one thousand
7 one hundred feet to a stake in the Union Traction Company's
8 center line on the northeast side of Harrison alley in the Alex-
9 ander addition to Paden City; thence with the northeast line of
10 said Harrison alley south twenty-nine degrees fifty minutes east
11 one thousand three hundred and seventy-five feet to a stake;
12 thence south sixty-one degrees thirty minutes west one thousand
13 five hundred and forty-two feet to a stake; thence south fifty-
14 eight degrees thirty minutes west six hundred and ninety-one
15 feet to a stake; thence south eighty-two degrees thirty minutes
16 west one hundred and eighty-three feet to a large rock; thence
17 south sixty-six degrees ten minutes west seven hundred and
18 twenty-one feet to a stake below the county road; thence south
19 fifty-one degrees thirty minutes west nine hundred and twelve
20 feet to a fence post; thence south forty-eight degrees twenty-
21 five minutes west eight hundred and twenty-four feet to a fence
22 post; thence north sixteen degrees west three hundred feet to a
23 stake; thence south seventy-one degrees thirty minutes west
24 eighty-four feet to a stake; thence south sixty-six degrees thirty
25 minutes west one thousand seven hundred and nineteen feet to
26 a stake; thence south sixty-six degrees thirty minutes west five
27 hundred and eighteen feet to a stake; thence south sixty-two
28 degrees fifteen minutes west five hundred and fifty feet to a
29 stake; thence south fifty-four degrees fifteen minutes west three
30 hundred and eighty-two feet to a stake; thence south fifty-five
31 degrees west ninety feet to a stake; thence south sixty-one de-
32 grees thirty minutes west four hundred and fifteen feet to a
33 stake; thence south seventy degrees thirty minutes west one
34 hundred and eighty-five feet to a stake; thence south sixty-one
35 degrees west four hundred and two feet to a stake; thence south
36 sixty-six degrees ten minutes west four hundred and twenty-five
37 feet to a stake; thence north twenty-seven degrees fifteen min-
38 utes west four hundred and fifty-one feet to a stake at low water
39 mark of the Ohio river and thence running with said river
40 to the place of beginning by the following courses and distances,
41 to-wit north forty-three degrees east one hundred and ninety-
42 nine feet, north thirty-five degrees east six hundred and fifty-
43 three feet, north thirty-six degrees forty-five minutes east seven
44 hundred and sixty-six feet; north thirty-six degrees forty-five

45 minutes east three hundred and six feet; north thirty-nine de-
46 grees thirty minutes east two hundred and nine feet; north
47 thirty-two degrees fifteen minutes east five hundred and twenty-
48 nine feet; north thirty-two degrees east three hundred and seven-
49 teen feet; north twenty-six degrees east eighty-one feet; north
50 eighteen degrees forty-five minutes east one hundred and thirty-
51 two feet; north thirty-two degrees fifteen minutes east ninety-
52 six feet; north thirty-eight degrees fifteen minutes east one
53 hundred and thirty-five feet; north thirty-six degrees east one
54 hundred and twenty-four feet; north thirty-two degrees thirty
55 minutes east one hundred and forty-seven feet; north forty de-
56 grees fifteen minutes east one hundred and thirty-six feet;
57 north thirty-eight degrees ten minutes east two hundred and
58 fourteen feet; north forty-eight degrees twenty minutes east
59 two hundred and sixty feet; north forty-three degrees thirty
60 minutes east one thousand and one feet; north forty-four de-
61 grees fifteen minutes east one hundred and twenty-five feet;
62 north forty-six degrees fifteen minutes east one hundred and
63 ninety-nine feet; north forty-seven degrees east eight hundred
64 and ninety-one feet; north fifty-three degrees east two hundred
65 and seventy-four feet; north sixty-two degrees east fifty-one
66 minutes east one hundred and sixty-two feet; north sixty-six
67 degrees forty-five minutes east one hundred and eighty-eight
68 feet; north eighty-one degrees east two hundred and eleven
69 feet; north eighty-one degrees east six hundred and sixty-five
70 feet; thence north seventy-three degrees fifteen minutes east
71 three hundred and thirty-six feet; north seventy-seven degrees
72 east one thousand two hundred and sixty-eight feet; north
73 sixty-five degrees forty-five minutes east five hundred and fifty
74 feet to the beginning.

Sec. 3. As soon as convenient after the passage of this act
2 the council in being of said town shall divide the territory of
3 said town into wards, the number of which shall be determined
4 by the council, but there shall not be less than three wards,
5 which said wards shall be as nearly equal in population as
6 possible and each shall consist of compact territory and have
7 a population of not less than five hundred people; the number
8 and limits of which said wards shall remain until otherwise
9 changed by the common council of said town, and a record and
10 map of said wards shall be entered upon the journal of the com-
11 mon council of the said town and preserved. No change shall

12 be made in the number or the limits of said wards within six
13 months previous to any regular election to be held for the elec-
14 tion of town officers.

Sec. 4. The municipal authorities of said town shall consist
2 of a mayor, and two councilmen from each ward, who together
3 shall form a common council, and shall receive such compensa-
4 tion as said common council shall from time to time determine,
5 which shall not be increased nor diminished during their term
6 of office.

Sec. 5. All the corporate powers of said corporation shall
2 be exercised by said common council or under their authority
3 except when herein otherwise provided.

Sec. 6. There shall be elected by the qualified voters of said
2 town, as hereinafter provided, a mayor, six councilmen and a
3 recorder, who at the time of their election shall be freeholders
4 in said town and shall have paid municipal taxes on real estate
5 in said town during the year immediately preceding the year
6 of said election. And they shall otherwise be qualified to vote
7 for the members of the common council of said town as resi-
8 dents and legal voters therein.

Sec. 7. There shall be appointed by the common council of
2 said town a chief of police, who shall also be *ex-officio* tax col-
3 lector of said town, and who at the time of his appointment shall
4 also possess the qualifications necessary to vote for the members
5 of the common council. Said chief of police shall hold office
6 for a period of one year from the date of his appointment unless
7 removed for cause.

Sec. 8. The mayor and recorder of said town shall be elected
2 for a period of two years and each shall hold office until his suc-
3 cessor is elected and qualified; *provided, however,* that the
4 present mayor shall hold office until the first day of February,
5 one thousand nine hundred and thirty, and until his successor
6 is elected and qualified, and the present recorder shall hold
7 office until the first day of February, one thousand nine hun-
8 dred and thirty, and until his successor is elected and qualified.

Sec. 9. The present members of the common council who
2 were elected on the first Thursday after the first Tuesday in
3 January, one thousand nine hundred and twenty-nine, shall
4 hold office for the one year term for which they were elected.

5 On the first Thursday after the first Tuesday in January, in
6 the year one thousand nine hundred and thirty, there shall be

W. W. of W. D. City of Columbus

7 elected by the qualified voters of said town, one councilman
8 from each ward, each of whom shall hold office for a term of one
9 year beginning on the first day of February immediately fol-
10 lowing the date of their election and until their successors are
11 elected and are qualified, and on said first Thursday after the
12 first Tuesday in January, one thousand nine hundred and thirty,
13 and on the first Thursday after the first Tuesday of January of
14 each successive year thereafter, there shall be elected by the
15 qualified voters of said town one councilman from each ward,
16 each of whom shall hold office for the term of two years begin-
17 ning on the first day of February immediately following the
18 date of their election and until their successors are elected and
19 qualified. Each of said councilmen shall be a resident and legal
20 voter in his or her respective ward.

21 And on the first Thursday after the first Tuesday, in Janu-
22 ary, in the year one thousand nine hundred and thirty, and on
23 the first Thursday after the first Tuesday in January of each
24 second year thereafter, there shall be elected by the qualified
25 voters of said town a mayor, who shall hold office for the period
26 of two years from the first day of February immediately fol-
27 lowing his or her election and until his or her successor is
28 elected and qualified.

29 And on the first Thursday after the first Tuesday in January,
30 of the year one thousand nine hundred and thirty, there shall
31 be elected by the qualified voters of said town a recorder, who
32 shall hold office for a term of one year and until his or her
33 successor is elected and qualified; and on the first Thursday
34 after the first Tuesday in January, of the year one thousand
35 nine hundred and thirty-one, and on the first Thursday after
36 the first Tuesday of each second year thereafter there shall be
37 elected a recorder, who shall hold office for the term of two
38 years from the first day of February immediately following his
39 or her election and until his or her successor is elected and
40 qualified.

41 And thereafter said officers and councilmen shall be elected
42 in the same manner, it being the meaning and intent of this
43 section that one-half of said common council, or one member
44 from each ward shall be elected at every annual election, and
45 that each councilman so elected shall hold office for the term of
46 two years, and that the mayor and recorder be elected for a
47 term of two years in alternate.

Sec. 10. The respective terms of the mayor, councilmen, and recorder shall begin on the first day of February immediately following the date of their election, except where appointment shall be made, as hereinafter provided, to fill any vacancy, and in that case said appointee shall fill said office for the period provided in section sixteen of this chapter.

Sec. 11. Each ward shall constitute an election precinct and the common council shall establish a voting place in each, and the election of councilmen shall be by wards. No voter shall be entitled to vote at any town election except in the ward in which he resides, and if any voter shall vote for any person for common council who is not a resident of the ward in which he voted, such vote or votes shall not be counted for such person or persons.

Sec. 11-a. The nomination of all candidates for offices to be filled by the electors of the Town of Paden City at the elections herein provided for shall be made by conventions, which conventions shall meet and shall certify to the recorder at least twenty days before the date of such election as herein provided, a list of all such candidates for office so nominated and to be voted for at said election. Each convention so held as aforesaid shall further adopt a name for the ticket so nominated by them and a suitable emblem or device by which the same shall be known and designated, and certify in the aforesaid manner the name and device together with the nominations. The nomination so certified, together with the name and device of the party shall be duly recorded by the recorder and properly printed on the ballots to be used at said election.

Sec. 12. Every male and female person residing in said town shall be entitled to vote for all officers to be elected under this act, but no person who is under twenty-one years of age or of unsound mind or a pauper or who receives aid from the treasury of said town or who is under conviction of treason, felony or bribery in an election, or who has not been a resident of this state for one year and of the said Town of Paden City for sixty days, and is not a bona fide resident of the ward in which he offers to vote, shall be entitled to vote at any election.

Sec. 13. In all municipal elections the mode of voting shall be by ballot, but the voters shall be left free to vote by open, sealed or secret ballot as he may elect. The election in said town shall be held and conducted and the result thereof certi-

5 fied, returned and finally determined under the laws in force
6 in this state relating to general elections on the first day of
7 January, one thousand nine hundred and twenty-nine. The
8 corporate authorities of said town shall perform the duties in
9 relation to such election, required by general laws of county
10 courts and officers, in force on the first day of January, one
11 thousand nine hundred and twenty-nine, concerning elections
12 by the people and such laws shall govern such elections and be
13 applicable thereto, and the penalties therein prescribed for
14 offenders at such election and such laws shall have the same
15 force and effect as if they were especially applicable to cor-
16 porate elections.

Sec. 14. When two or more persons shall receive an equal
2 number of votes for councilman or other city officer, such tie
3 shall be decided by the common council in being.

Sec. 15. All contested elections shall be heard and determined
2 by the common council for the time being, and the contest shall
3 be made and conducted in the same manner as provided for in
4 contests for county and district officers, and the common coun-
5 cil shall conduct their proceedings in such case as nearly as
6 practicable in conformity with the proceedings of the county
7 court in such cases.

Sec. 16. Whenever a vacancy shall occur from any cause in
2 the office of mayor, councilman, recorder or chief of police, the
3 common council shall immediately fill such vacancy by vote of
4 the majority of the common council, all elective offices to be
5 filled until the next general election and the appointive offices
6 for the remainder of the term. All such appointees shall
7 qualify within five days immediately following the date of their
8 appointment.

Sec. 16-a. Any member of the council and any city official
2 either elected or appointed for a definite term may be removed
3 from his or her office by the common council for any of the fol-
4 lowing causes: Official misconduct, incompetence, habitual
5 drunkenness, neglect of duty or gross immorality. Such re-
6 moval shall not be made except upon charges regularly filed
7 and acted upon as follows: Charges against any such officer
8 shall be reduced to writing and entered of record by the com-
9 mon council and a summons shall thereupon be issued contain-
10 ing a copy of the charges and requiring the officer named
11 therein to appear and answer the same on a day to be named

12 therein, which summons may be served in the same manner as
13 a summons commencing an action may be served, and the serv-
14 ice must be made at least five days before the return day thereof,
15 and upon proper hearing it shall require the vote of at least
16 five members of said common council to remove any such
17 official.

18 The officer or body of officers authorized by this chapter to
19 make appointments for special purposes, or for less than a
20 definite term shall have the power to remove their respective
21 appointees at will.

Sec. 17. The chief of police, as *ex-officio* tax collector, shall
2 have power to collect all taxes levied and assessed by the com-
3 mon council of said town and all other assessments and money
4 due the said town, and for that purpose shall have the power
5 to distrain and sell property for the enforcement of such pay-
6 ment. The common council shall also have authority to pro-
7 vide by ordinance for the appointment of such other officers as
8 shall be necessary and proper to carry into full force any
9 authority, power or jurisdiction which is or shall be vested in
10 the said town or in the common council or mayor or any officer
11 or body of officers thereof, and to grant to such officers so ap-
12 pointed the power necessary or proper for the purpose above
13 mentioned. And said mayor shall have power, also, to appoint
14 policemen whenever the necessities of public safety of the people
15 of said town in their judgment shall require it, who shall be
16 under the direction and supervision of the chief of police and
17 of the said mayor; the said common council shall by ordinance
18 define the duties of all officers so elected or appointed as afore-
19 said and allow them a reasonable compensation; and shall re-
20 quire and take from all those whose duty it is to receive its
21 funds, assets or property, or have charge of the same, such
22 bonds, obligations and other writings, as they shall deem neces-
23 sary or proper to insure the faithful performance of their said
24 duties. All officers appointed or elected by the common council,
25 except the chief of police who shall only be removed for cause,
26 shall hold their office or appointment during the will and
27 pleasure of the said common council, but no appointee shall
28 hold beyond the current year for which he shall have been ap-
29 pointed without a new election by the said common council.
30 The said chief of police shall have all powers, rights and privi-
31 leges within the corporate limits of said town, and within one

32 mile outside of the corporate limits thereof, in regard to the
33 arrest of persons, the execution and return of process, that can
34 be legally exercised by a constable of the district within the
35 same, and he and his sureties shall be liable for all fines, penal-
36 ties and forfeitures for which constable of a district is legally
37 liable, for any failure or dereliction in his said office, to be re-
38 covered in the same manner and in the same courts that the
39 same fines, penalties and forfeitures are now recoverable against
40 such district constable. It shall be the duty of said chief of
41 police as *ex-officio* tax collector to collect all town taxes, licenses,
42 levies, assessments and such other claims as are placed in his
43 hands for collection by the common council, and he may des-
44 train and sell for taxes and assessments, and he shall have in
45 all other respects the same power as a sheriff of the county to
46 enforce the payment and collection thereof within the limits of
47 his aforesaid jurisdiction. All officers appointed by the com-
48 mon council must be residents of the said town at the time of
49 their appointment, and a removal from town shall vacate their
50 said offices.

Sec. 18. All officers elected and appointed under this chap-
2 ter shall each, before entering upon the duties of their office,
3 and within one week from the date of their election or appoint-
4 ment, give such bond as shall be required by the common coun-
5 cil, except as herein otherwise expressly provided, and shall
6 make oath that they will truly, faithfully and impartially to
7 the best of their ability, discharge the duties of their respective
8 offices so long as they continue therein. Said oath may be
9 taken before any person authorized to administer oaths or be-
10 fore the mayor of said town.

Sec. 19. If any person elected or appointed to office shall
2 be found ineligible to such office, or shall fail to qualify, the
3 said common council shall declare the office vacant and it shall
4 be filled in the manner prescribed in this chapter.

Sec. 20. The mayor shall be the chief executive officer of
2 said town, and shall take care that the ordinances, by-laws and
3 resolutions of the common council thereof are faithfully exe-
4 cuted; he shall be *ex-officio* a justice and conservator of the
5 peace within the town, and shall within the same, have, possess
6 and exercise all the powers and perform all the duties vested
7 by law in a justice of the peace, except that he shall not have
8 jurisdiction in civil cases or causes of action arising out of the

9 corporate limits of the said town. Any warrant or other process
10 issued by him may be executed at any place in the counties of
11 Tyler and Wetzel. He shall have control of the police in the
12 town and may suspend any policeman, except the chief of police,
13 for cause, and may appoint special police officers whenever he
14 deems it necessary; and it shall be his duty to especially see
15 that the peace and good order of the town are preserved, and
16 the persons and property therein protected, and to this end he
17 may cause the arrest and detention of all riotous and disorderly
18 persons in the town before issuing his warrant therefor. He
19 shall have the power to issue executions for all fines, penalties
20 and costs imposed by him, or he may require the immediate
21 payment thereof, and in default of such payment thereof, he
22 may commit the offending party to the jail of Wetzel or Tyler
23 counties or other place of imprisonment in said corporation
24 until the fine or penalty and costs shall be paid, but the term
25 of imprisonment in such cases shall not exceed sixty days. In
26 all cases where a person is sentenced to prison or to the pay-
27 ment of a fine of ten dollars or more (and in no case shall a
28 judgment for fine less than ten dollars be ordered by the mayor
29 if the defendant or his agent, or attorney object thereto), such
30 person shall be allowed an appeal from such decision to the
31 circuit court of the county in which said offense was committed,
32 and upon the execution of an appeal bond and a surety bond
33 deemed sufficient by the mayor in a penalty of at least double
34 the amount of the fine and costs imposed by the mayor, with
35 condition that the person purporting to appeal will perform
36 and satisfy any judgment which may be rendered against him
37 by the circuit court on such appeal. If such appeal be taken
38 the warrant of arrest, if any, the transcript of the judgment,
39 the appeal bond and other papers of the case, shall be forthwith
40 delivered by the mayor to the clerk of said court, and the court
41 shall proceed to try the case as upon indictment or presentment
42 and render such judgment, including that of costs, as the law
43 and the evidence may require, but no judgment shall be rend-
44 ered against said town for costs on such appeal. The mayor
45 may from time to time recommend to the common council such
46 measures and ordinances as he may deem needful for the wel-
47 fare of the town. The expense of maintaining any person com-
48 mitted to the jail of the county by him, except it be to answer
49 an indictment or be under provisions of sections two hundred

50 and twenty-seven and two hundred and twenty-eight of chapter
51 fifty of the code of this state, shall be paid by said town. Said
52 mayor shall pay all moneys received by him for fines or by
53 virtue of his office belonging to the said town, to the recorder
54 of the same within one week after he receives the same.

Sec. 21. The recorder shall keep a journal of the proceed-
2 ings of the common council and have charge of all
3 records of the town. In the absence of, or in case of sickness
4 or inability of the mayor, or during any vacancy in the office
5 of mayor, the recorder shall perform the duties of the mayor
6 which pertain to him as the chief executive officer of said town
7 and be vested with all the powers necessary for the perform-
8 ance of such duties.

Sec. 22. The presence of a majority of the common council
2 shall be necessary to make a quorum for the transaction of
3 business.

Sec. 23. The council shall cause to be kept by the recorder
2 in a well bound book, to be called the journal, an accurate
3 record of all the proceedings, ordinances, acts, orders and reso-
4 lutions, and in another book, to be called the book of ordinances,
5 accurate copies of all general ordinances adopted by the coun-
6 cil, both of which shall be fully indexed and open to the inspec-
7 tion of any citizen of the state of West Virginia. All oaths
8 and bonds of officers, and all papers of the council shall be
9 indorsed, filed and securely kept by the recorder. The bonds
10 of officers shall be recorded in a well bound book, to be called
11 the record of bonds. Said recorder shall perform all such other
12 duties as may by ordinance of the council be prescribed. Said
13 council may bind and print in pamphlet form all the general
14 ordinances of the said town and transcripts of such ordinances,
15 acts, orders and resolutions, certified by the recorder under
16 the seal of the town, shall be deemed *prima facie* correct when
17 sought to be used before any court or before any justice.

Sec. 24. At each meeting of the council the proceedings of
2 the last meeting shall be read and corrected if erroneous, signed
3 by the presiding officer for the time being, and countersigned by
4 the recorder. Upon the call of any member, the ayes and noes
5 upon any question shall be taken and recorded in the journal,
6 and the roll for that purpose shall be called alphabetically.

Sec. 25. The mayor as a member of the common council shall
2 have a vote upon all questions submitted to and voted on by

3 said common council, and in case of tie shall have the deciding
4 vote. He shall also be the presiding officer of said common
5 council.

Sec. 26. The regular meetings of the common council shall
2 be on the first Monday night in each month, and at such times
3 as may be deemed necessary for the transaction of the business
4 of said town, and shall be held at such place in said town as
5 the common council shall from time to time ordain and appoint;
6 and said common council shall meet in special session upon
7 the call of said mayor or upon the call of any two of the coun-
8 cilmen. And common council shall by ordinance prescribe the
9 mode in which notice of special meetings shall be given; and no
10 business shall be transacted at such special meetings, except as
11 prescribed and set forth in said notice, and then only when a
12 majority of all the members of the common council shall be
13 present, except that a less number may compel the attendance
14 of absent members under such reasonable penalties as they may
15 think proper to impose; and all questions put, except in such
16 matters as are hereinafter provided for, shall be decided by a
17 majority of the members present.

Sec. 27. The moneys belonging to the town shall be paid over
2 to the recorder, and no money shall be paid out by him except
3 as the same shall have been appropriated by the common coun-
4 cil, and upon an order signed by the mayor and himself.

Sec. 28. The recorder of said town shall be ex-officio treasurer
2 and assessor of the same, and shall give bond in such penalty
3 and with such sureties as the common council shall prescribe,
4 conditioned for the faithful performance of his duties.

Sec. 29. The common council of said town shall have power
2 to lay off, vacate, close, alter, grade and keep in good repair
3 the roads, streets, alleys, pavements, sidewalks, cross-walks,
4 drains and gutters therein for the use of the citizens and of the
5 public and to improve and light the same and to keep them
6 free from obstruction of every kind; to regulate the width of
7 the pavements, sidewalks, footways, drains and gutters to be
8 kept in good order, free and clean by the owner or occupants of
9 the real property next adjacent thereto; to lay off, open, close,
10 vacate or maintain public grounds, parks, and public places, and
11 name and rename the same, to have control and supervision
12 thereover, to protect the same from damage or other injury by
13 persons or property, to fix fines and punishments for any in-

14 jury thereto in violation of any of the orders of said common
15 council, and to maintain good order and prevent violations of
16 the ordinances of said city therein and thereon; to establish
17 and regulate markets, prescribe the time of holding the same,
18 provide suitable and convenient buildings therefor, and pre-
19 vent the forestalling of such markets; to prevent injury or
20 annoyance to the public or to individuals from anything dan-
21 gerous, offensive, or unwholesome; to regulate or prohibit street
22 carnivals, or street fairs, or street parades, advertising exhibi-
23 tions or other exhibitions on the streets and highways of said
24 town or exhibition of wares, merchandise, material, or arti-
25 ficial curiosities on any street, sidewalk, alley or public place
26 of said town; to regulate or prohibit the ringing of bells, blow-
27 ing of steam whistles, or use of hand organs, or other instru-
28 ments of annoyance, or other music of itinerant performers in
29 the streets, or public speaking or preaching in the streets, roads,
30 parks, or public places of the municipality; to license, regulate
31 or prohibit auctioneering; to license, regulate or prohibit the
32 sale of goods, wares, merchandise, drugs, or medicine on the
33 streets or in other public places; to regulate the time and place
34 and manner of bathing in swimming pools, driving of cattle
35 through, upon and along the streets and alleys of said town;
36 to arrest, convict and punish any person for gambling or keep-
37 ing any gaming table, commonly called "Faro Bank," or table
38 and chips used in playing such games, crap, crap table, chips
39 or dice used in playing such games, or roulette or the wheel,
40 chips or other equipment used in playing such game, or keno
41 table or table of like kind or device used in playing the same,
42 or table of like kind under any denomination, whether the game
43 or games be played with cards, dice or otherwise on which any-
44 thing is bet or wagered, whether the same be played in any
45 public or private room or residence, and may convict and pun-
46 ish any person who shall be a partner or concerned in interest
47 in the keeping of any such gambling devices heretofore enu-
48 merated, or in any game played, such as prohibited hereby, or
49 in keeping or maintaining any gambling house or place of
50 gambling for money or anything of value, and shall have the
51 right to destroy such gambling paraphernalia as may be found
52 on any such premises, and any officer armed with a warrant
53 for the arrest of any person engaged in such unlawful game or
54 for the search of any room in which gambling is suspected, or

55 for the seizure of any gambling paraphernalia, shall have the
56 right to break into any building, other than a private dwelling
57 house, without notice or demand, and into a private dwelling or
58 room, after demand and refusal to open same, *provided, always*
59 *however*, that no search or seizure shall be made except in the
60 manner provided by general law; to regulate or prohibit the
61 placing of signs and the use of walls or walks for signs; to
62 regulate or prevent the distribution or posting of any sign or
63 bill, either on paper or painted, that, in the opinion of the com-
64 mon council or mayor, is indecent, immoral or unsightly; to
65 regulate or prohibit the distribution of hand bills, circulars and
66 other advertisements of like kind, on the streets, roads, alleys
67 and public places, or the placing of same in private yards,
68 buildings or other structures, without having first procured the
69 consent of the owner or occupier of such property; to prevent
70 and prohibit the use of indecent or profane language within the
71 corporate limits, and to provide and fix punishment therefor;
72 to prevent and prohibit any tumult, riot, quarrel, angry con-
73 tention, or abusive language, and to prevent the use of insult-
74 ing epithets, assaults, assault and battery, and fix fines and
75 punishments therefor; to arrest, convict and punish any person
76 for cruelty, unnecessarily or needlessly beating, torturing, muti-
77 lating, killing, or overloading, or overdriving, or wilfully de-
78 priving of necessary sustenance, any horse or other domestic
79 animal; to prohibit or regulate slaughter houses, tan houses,
80 and factories within the corporate limits; and to prohibit the
81 exercise of any offensive business, trade or employment; to abate
82 all nuisances within the corporate limits, and to require or com-
83 pel the abatement or removal thereof, at the expense of the
84 person causing the same, or by or at the expense of the owner
85 of the ground at the place they are found; to cause to be filled
86 up, raised or drained by or at the expense of the owner, any
87 city lot or tract of land covered or subject to be covered by
88 stagnant water; to prevent horses, hogs, cattle, sheep and other
89 animals and fowls of all kinds from going or being at large in
90 said town, and as a means of prevention, said common council
91 may provide for impounding and confining said animals and
92 fowls, and upon the failure to reclaim, for the sale thereof; to
93 protect places of divine worship and preserve order in and
94 about the premises where and when such worship is held; to
95 protect places of public instruction, schools and high schools,

96 and to preserve order in and about all school buildings there-
97 in; to regulate the keeping of gun powder and other dangerous
98 explosives and substances; and to regulate or prohibit the use
99 of fire-crackers, sky-rockets, toy pistols, air rifles or guns, within
100 the said municipality; to apprehend and punish any person
101 who, without a state license therefor, is guilty of carrying
102 about his person, within the municipality, any revolver or other
103 pistol, dirk, bowie knife, sling shot, razor, billy, metallic or
104 false knuckle, or any other dangerous or deadly weapons of
105 like kind and character, as provided by chapter fifty-one of
106 the acts of the legislature of one thousand nine hundred and
107 nine, or any amendment thereof, and the punishment therefor,
108 whether for the first or other offenses, shall be that now or
109 hereafter prescribed by said chapter for any such person
110 guilty under the misdemeanor clause provided therein; to
111 regulate the building of houses and other structures; for the
112 maintaining and making of division fences by the owners of
113 adjacent premises; and for the proper drainage of town lots
114 and other parcels of land by or at the expense of the owner
115 or occupant thereof, when such drainage shall be deemed
116 necessary for the protection of the public health; to provide
117 against danger or damage by fire; to prohibit the keeping of
118 or loitering in or visiting houses of illfame, or loitering upon
119 the streets of said town; to prevent lewd or lascivious con-
120 duct, the sale or exhibition of indecent pictures or other repre-
121 sentations; the desecration of the Sabbath day; to prevent
122 swearing; the illegal sale of intoxicating liquors, mixtures and
123 preparations, porter, beer, ale, wine or other drinks of like
124 nature; to protect the persons of those residing or being
125 within said town; to prevent the illegal sale of tobacco, cigars,
126-129 snuff, or cigarettes, within said municipality, and to
130 fix fines and punishments for violations thereof; to re-
131 strain all felons and persons guilty of offenses against this
132 state or the United States, and deliver them over to the author-
133 ities or court having jurisdiction of the offense whereof such
134 persons are accused; to appoint when necessary or advisable a
135 police force, permanent or temporary, to assist the chief of
136 police in the discharge of his duties; to build or purchase or
137 lease and use a suitable place of imprisonment within said
138 town for the safe keeping or punishment of persons charged
139 with or convicted of the violation of ordinances; to erect,

140 maintain, authorize or prohibit gas or water works within the
141 corporate limits; to prevent injury of such works, or the pollu-
142 tion of any water used or intended to be used by the
143 public or individuals; to provide for and regulate the meas-
144 uring and weighing of hay, coal, lumber or other articles sold
145 or kept or offered for sale within said town, and to establish
146 rates and charges for said weighing or measuring; to limit the
147 speed, size and weight of vehicles upon the streets, alleys, and
148 other public thoroughfares within its limits as are not des-
148-a igned by the state road commission as connecting parts of
148-b the state road system, and to regulate the parking of vehicles
148-c upon any designated streets, alleys and other public thorough-
148-d fares within its limits, and to regulate the progress of traffic
148-e at street intersections, in congested districts thereof; to
149 create by ordinance such committees and boards, and delegate
150 such authority thereto as may be deemed necessary or advisable;
151 to provide for the annual assessment of the taxable property
152 therein, including dogs, kept in said town, and to regulate their
153 running at large; to provide a revenue for the town for muni-
154 cipal purposes and to appropriate such revenue to its expenses
155 and to take such measures as may be deemed necessary or ad-
156 visable to protect the property, public and private, within said
157 town; to preserve and maintain peace, quiet and good order
158 therein, and to preserve and promote the health, safety and
159 well being of the inhabitants thereof.

160 The said common council shall have authority to pass all
161 ordinances which shall be necessary or proper to carry into
162 full effect and force, the authority and jurisdiction which is or
163 shall be granted or vested in said town, or in the common coun-
164 cil thereof, or in any officer, or body of officers of said town,
165 and to enforce any and all ordinances by reasonable fines and
166 penalties and by imprisonment, and upon failure to pay any
167 such fine or penalty imposed, by compelling defaulting party
168 to labor without compensation on any of the public works or
169 improvements undertaken or to be undertaken by said town,
170 or to labor at any work which the said town may lawfully
171 employ labor upon, at such rate *per diem* as the common
172 council may fix, but not at a less rate than is fixed by said
173 common council for like labor from other employees of the
174 town, until all fines imposed upon such offenders have been
175 paid and discharged, after deducting the charges of support

176 will in the custody of the officers of said town; *provided,*
177 *however,* that no fines shall be imposed exceeding one hundred
178 dollars, and no person shall be imprisoned or compelled to
179 labor as aforesaid more than sixty days for any offense; and
180 in all cases where a fine is imposed for an amount exceeding
181 ten dollars or a person be imprisoned or compelled to labor as
182 aforesaid for a term greater than ten days, an appeal may be
183 taken from such decision upon the same terms and regulations
184 that appeals are taken from the judgment of a justice of this
185 state; such fines and penalties shall be imposed and recovered
186 and such punishment inflicted and enforced by and under the
187 judgment of the mayor of said town, or, in case of his absence
188 or inability to act, by the recorder, or if he be unable to act,
189 then a member of the common council shall be appointed by
190 the council for that purpose. In addition to the powers al-
191 ready enumerated, the said council shall have power to am-
192 ply, improve, extend and expand the water works of said
193 town, to contract by public contract for an adequate supply
194 of pure, healthful water for said town, and do all things
195 necessary to secure an adequate supply of pure, wholesome
196 water, and to provide, contract by public contract for and
197 construct, an adequate sewerage system for said town. When
198 anything for which a state license is required is to be done
199 within the limits of said town, the common council may decide
200 whether such license may be granted or not, and if granted
201 it shall be assessed and collected the same as if granted by the
202 county court of each respective county. Such license shall be
203 issued in the manner and form prescribed by sections ten and
204 eleven, chapter thirty-six of the code of West Virginia; and
205 the sole and exclusive power is vested in said town council to
206 grant or refuse state licenses within the limits of said town.
207 When any such license as is hereinbefore mentioned is granted
208 by said common council, said common council may impose a
209 tax thereon for the use of said town in conformity with the
210 state law, and shall also require license bonds payable to the
211 said town in its corporate name, with good security, such
212 bonds to be approved by said common council, to be in the same
213 penalty as required by the state law, and the said common
214 council may revoke such license at any time the condition of
215 the bond shall be broken, upon ten days' previous notice to the
216 person, persons or corporations holding the same, and suits

217 may be prosecuted and maintained on such bond as is pre-
218 scribed in section twenty-two of chapter thirty-two of the code
219 of West Virginia, by the same person, in the same manner and
220 to the same extent, as upon the bond mentioned in the said
221 section, and all the provisions of said section in relation to
222 the bonds therein mentioned shall be applicable to the bonds
223 required by this section. *Provided*, that nothing herein con-
223-a tained shall be construed as authorizing or empowering the
223-b said town or its council to impose any license or other tax
223-c upon motor vehicles except the regular property tax.

224 Said common council shall also have power to levy, assess,
225 and collect taxes upon the real and personal property within
226 said town, but such taxes shall be uniform with respect to
227 persons and property within the jurisdiction of said town;
228 and the said common council as soon as convenient after the
229 first day of May, in each year, and after the annual assess-
230 ment, shall cause to be made up and entered upon its journal
231 an account and estimate of all sums which ought to be paid
232 within one year; and it shall order a levy of so much as in its
233 opinion may be necessary to pay the same not exceeding that
234 allowed by law. The levy so ordered shall be upon the male
235 persons, residents of the said town, all real and personal estate
236 within the said town subject to state and county taxes, but in
237 no year shall such levy exceed one dollar on each one hundred
238 dollars of valuation. Such levy shall also include a poll tax
239 of not more than one dollar upon each male resident of said
240 corporation over twenty-one years of age.

241 Said common council shall also have power to contract by
242 public contract, for the paving of its streets and alleys; to
243 establish and regulate the grade thereof, and to provide for
244 the maintenance and repair of the same; to provide for the
245 maintenance, continuance and enjoyment of its water works;
246 to provide for the maintenance, establishment and enjoyment
247 of fire companies, for the purpose of protecting the property
248 of the citizens of said town from destruction or damage by fire.
249 But said town shall not hereafter be allowed to become in-
250 debted in any manner for any purpose to an amount including
251 the existing indebtedness, in the aggregate, exceeding five *per*
252 *centum* of the value of the taxable property therein, to be ascer-
253 tained by the last assessment for state and county purposes
254 previous to the incurring of such indebtedness, without at the

255 same time providing for the collection of a direct annual tax
256 sufficient to pay annually the interest on such debt and the
257 principal thereon within and not exceeding thirty-four years;
258 *provided*, that no debt shall be contracted under this charter
259 unless all questions connected with the same shall have been
260 first submitted to a vote of the people and have received three-
261 fifths of all the votes cast for and against the same. Said
262 common council shall not grant any franchise to any person,
263 or corporation, within said town limits which shall be
264-266 either exclusive or perpetual, and no franchise involving
267 the use or occupancy of the same, shall be granted except by
268 an ordinance to that effect; and no such ordinance shall be
269 passed unless the question of the granting of such franchise
270 shall have been first submitted to a vote of the people, and
271 shall have and receive a majority of all the votes cast upon the
272 question; *provided*, such submission shall have been petitioned
273 for by at least one-tenth of the qualified voters of said town,
274 to be ascertained according to the number of votes cast at the
275 last preceding election.

Sec. 30. It shall be lawful for the common council to
2 establish and construct landings, wharves and docks on any
3 ground, street or alley which does or shall belong to said town,
4 and to repair, alter and remove any building, wharf or dock,
5 and to collect a reasonable tax on vessels coming to or using
6 the same; and shall have power to pass and enforce such ordi-
7 nances as shall be proper to keep the same in good order and
8 repair; to preserve peace and good order at the same and regu-
9 late the manner in which they shall be used; it shall also have
10 power to appoint a wharfmaster if the same shall be deemed
11 necessary, or to confer that duty upon any other officer, and
12 to prescribe the duties of such acting wharfmaster, fix his fees
13 and make all regulations in respect thereto as it may deem
14 necessary.

Sec. 30-a. The common council shall have the right to acquire
2 erect, construct, maintain, operate and control any electric
3 light or generating plant within said town, or to provide for, or
4 to purchase electric power and to use, generate, distribute, sell
5 and control electricity for light and power, and to furnish elec-
6 tricity for the streets, dwellings, buildings, stores and other
7 places in and about said town, and for such electricity other
8 than that furnished for the municipality in lighting its streets,

9 or public places, it may charge reasonable rates, but such rates
10 in all cases shall be uniform; and such electric light plant and
11 distribution system shall be under the supervision and control
12 of said common council, and its wires, poles, distributing system
13 and machinery shall be kept in such repair so that as little
14 danger as possible shall arise therefrom, and so that same will
15 furnish an adequate supply of electricity to all persons in said
16 town desiring to use same.

Sec. 31. The common council shall have the right to institute
2 proceedings in the name of the town for the condemnation of
3 real estate for streets, alleys, drains, markets, market ground,
4 town prison or other work or purposes of public utility; such
5 provision shall conform to chapter forty-two of the code of
6 West Virginia. And said common council shall also have power
7 to acquire by purchase, gift or condemnation one or more lots
8 necessary for municipal buildings on which to place such build-
9 ings as they may deem necessary for the meeting of said com-
10 mon council and for the keeping of the office of said common
11 council, and for the keeping of the property of said town; and
12 said common council shall also have the power to organize or
13 authorize the organization of fire companies, hose companies or
14 any other company or aggregation or persons for the purpose
15 of protecting the property of the citizens of said town against
16 destruction by fire, and authorize such companies to create and
17 hold property necessary and ordinarily held and used by such
18 fire companies. Common council shall not have power to re-
19 lease or relieve any taxpayer from payment of taxes levied on
20 or assessed against him or them.

Sec. 31-a. Common council of said town shall have the right
2 to employ such legal counsel as it may deem necessary to pro-
3 tect the interests of said municipality.

Sec. 32. The common council shall have power to require
2 every male resident residing in said town, between the ages of
3 twenty-one and fifty years, to expend two days' labor upon the
4 streets, alleys and public works of said town during each cur-
5 rent year when properly notified so to do by the common coun-
6 cil and the common council shall have power also to permit such
7 persons liable to perform work upon the streets, alleys and
8 public works, of said town, to commute for the same by paying
9 into the treasury of said town not to exceed one dollar and five
10 cents per day for each day that he may fail so to labor when

11 properly warned so to do; and in case any person liable to per-
12 form such labor shall fail to do so for ten days after having been
13 properly and legally notified to that effect, the said recorder of
14 the said town, upon a return of that fact to him by the chief of
15 police, shall make out and sign a tax bill, stating the amount for
16 which such individual is delinquent, and shall place the same in
17 the hands of said chief of police, who shall have the same power
18 in relation thereto, to levy, distrain and sell the property for the
19 collection of such bill as he has under this charter or any by-law
20 in regard to the collection of taxes of said town.

Sec. 33. The common council shall have full power to pro-
2 vide for the keeping of its poor or indigent persons within the
3 limits of the said town, and the citizens of said town shall be
4 exempt from the payment of all county poor taxes for each and
5 every year which the said town council shall provide for the
6 keeping of its own poor.

Sec. 34. The common council shall have power to appoint
2 and constitute a board of health consisting of one reputable
3 physician and two of its own members, which said board of
4 health under the supervision and with the approval of said
5 common council shall have full power to make all needful rules
6 and regulations for the keeping and maintaining of the said
7 town in proper healthful condition, and when such board of
8 health shall have been elected and organized it shall have exclu-
9 sive control of all matters relating to the public health within
10 the limits of the said town.

Sec. 35. Upon the petition in writing of the persons own-
2 ing the greater amount of frontage of the lots or land abutting
3 on both sides of any street or alley, between any two cross-
4 streets or between a cross-street and an alley, whether such two
5 cross-streets or cross-street and alley be adjacent or not, the
6 common council of said town may order any part of any street
7 or alley to be graded, paved, repaved, re-surfaced and curbed,
8 or either thereof, between the side walks in such manner and
9 with such material as may be determined by the common coun-
10 cil, from one of such cross-streets or alley to the other, under
11 such regulations fixed by ordinance passed by the common
12 council, and the cost of such grading, paving, re-paving, or re-
13 surfacing or curbing shall be levied against and paid as fol-
14 lows: One-third thereof shall be paid by the city, out of any
15 funds at disposal of the common council, and the other two-

16 thirds shall be assessed against the abutting property owners
17 in proportion to the frontage of the lots or land abutting on
18 both sides of the street or alley.

19 In making such assessments the basis shall be the cost of
20 grading, paving, re-paving, or re-surfacing or curbing that part
21 of the street or alley on which the property lies included be-
22 tween the designated cross-streets or alleys, and the amounts
23 assessed against the owners of each lot or part of a lot of land
24 shall be in the proportion which the frontage of such lot or
25 part of lot or land bears to the whole cost of grading, paving,
26 re-paving, re-surfacing or curbing said street or alley between
27 said cross-streets or alleys as aforesaid; *provided, however,* that
28 in case such street or alley so graded, paved, re-paved or re-
29 surfaced is occupied by street car tracks or other railway, the
30 cost of grading, paving, re-paving, or re-surfacing between the
31 rails, and for two feet outside each rail shall be assessed to and
32 paid by the street car or other railway company unless other-
33 wise provided by the franchise of such street car or other rail-
34 way company granted previous to the time this act goes into
35 effect, and the abutting land owners shall be assessed only
36 with the proportionate balance of the cost of such paving after
37 deducting the amount assessed against said street car or other
38 railway company; and, *also, provided,* that in case the cost of
39 paving or otherwise improving said street or alley shall exceed
40 the true and actual value of the abutting property, the excess
41 cost shall be paid by the town out of the general funds.

42 The town council may issue certificates for the amount of
43 said assessments against abutting property owners which may
44 be sold to the contractor doing the work, or other person, in
45 full of the total cost of said work; *provided,* the city in nego-
46 tiating and selling such certificates shall not be held a guarantor
47 or in any manner liable for payment thereof, except upon the
48 direct action of the common council as expressed by resolution
49 of record before such sale. Said certificates shall be payable
50 serially in ten years from date with interest not exceeding six
51 *per cent per annum.* If the said certificates remain unpaid
52 for more than sixty days after they become due and payable,
53 it shall be the duty of the recorder upon being requested so to
54 do by the owner of said certificates to certify said assessments
55 to the clerk of the county court of the county in which the
56 property involved is located, who shall record and index the

57 same as other liens of like kind are recorded and indexed, and
58 the same shall be and remain a lien upon the real estate against
59 which said assessments are made; and, said assessments shall,
60 in addition, be the personal obligation or debt of the owner or
61 occupant of said property; and said lien and said debt or obli-
62 gation may be enforced in the name of the owner of said certifi-
63 cates in like manner as other liens and debts are enforced.

64 The lien created by such assessments may be released upon
65 presentation to the clerk of the county court of all the bonds or
66 certificates issued thereunder, as to any specific real estate
67 therein described or located, showing that the same have all
68 been paid, and such clerk is hereby empowered to release the
69 lien of such assessment as to any such real estate by noting a
70 release thereof on the record of the lien as to such real estate
71 on the margin of the deed of trust book where the same is
72 recorded and such annotation by such clerk shall have the
73 effect to release such real estate from such lien as effectively as
74 a regularly executed and recorded release thereof. The pro-
75 ceeds from the sale of such bonds or certificates of indebtedness
76 shall be applied to the payment of the indebtedness incurred in
77 making the improvements on account of which such bonds or
78 certificates of indebtedness were issued.

Sec. 36. It shall be the duty of the recorder of said town, as
2 *ex-officio* assessor, to make an assessment of the property within
3 said town, subject to taxation, substantially in the manner
4 and form in which assessments are made by the assessor of
5 the county, and to return the same to the common council on
6 or before the first day of May of each year, and for this
7 purpose he shall have all power conferred by law on the county
8 assessor. He shall list the number of dogs in town and the
9 names of the persons owning the same, which list shall be
10 returned to the common council. In order to aid said common
11 council in ascertaining the property of persons subject to tax-
12 ation by said town, the recorder of the same shall have access
13 to all the books and public records of Wetzel and Tyler coun-
14 ties without expense to said town or recorder, and he shall also
15 have the same power, and be subject to the same penalties, in
16 ascertaining and assessing the property and subjects of taxation
17 in said town, as are granted and imposed upon the county
18 assessors by general law; and the common council shall also
19 have authority to prescribe by ordinance, such other rules and

20 regulations as may be deemed necessary to enable and require
21 such recorder to ascertain and properly assess all property and
22 persons liable to be taxed in said town, so that such assessment
23 and taxation shall be uniform; and to enforce such ordinances
24 by reasonable fines and penalties. Upon the return of the re-
25 corder's assessment books to the common council as herein pro-
26 vided, with the list and valuation of the personal and real prop-
27 erty and all other subjects of taxation, the same shall be laid
28 before the common council for its inspection and consideration,
29 and the common council shall have power to revise the action
30 of the recorder as well also as to revise the valuation made by
31 him upon the subjects of taxation, and authority to increase or
32 diminish such valuation. After such inspection by the said
33 common council and such correction, if any, the common coun-
34 cil shall then approve the said assessment, and cause the same
35 to be correctly copied by the recorder into two well bound books
36 provided for the purpose, and the taxes extended in each book,
37 one of which shall be delivered to the chief of police as *ex-*
38 *officio* tax collector, taking his receipt therefor, as well as for the
39 taxes therein contained.

Sec. 37. There shall be a lien on real estate within said town
2 for the town taxes assessed thereon, and for all fines and pen-
3 alties assessed to, or imposed, which shall have priority over all
4 other liens except the liens for taxes due the state and county,
5 and which may be enforced by the common council in the same
6 manner provided by the law for the enforcement of liens for
7 county taxes. If any real estate within said town be returned
8 delinquent for the non-payment of taxes due thereon, a copy
9 of such delinquent list may be certified by the common council
10 to the auditor of the state and the same may be sold for said
11 taxes, interest and commission thereon, in the same manner, at
12 the same time and by the same officers as real estate is sold for
13 state taxes.

Sec. 38. It shall be the duty of the chief of police, as tax
2 collector *ex-officio*, when the extended copies of the recorder's
3 books are completed to receive one copy thereof, receipting to
4 the common council for the same, and for the taxes therein ex-
5 tended, and it shall be his duty to collect from the parties the
6 net amount of taxes with which they are therein severally
7 charged, and such levy and assessment shall be delivered to such
8 collector on or before the first day of June in each year. From

9 and after the first day of June in each year, and until the
10 fifteenth day of July succeeding, any citizen and taxpayer shall
11 have the right to make payment of his taxes to such collector,
12 and if paid by such taxpayer, within that time he shall be en-
13 titled to a discount of two *per centum*, and the tax receipt
14 delivered up to him. If the taxes so levied, assessed and placed
15 in the hands of said collector for collection shall not be paid on
16 or before the fifteenth day of July in each year, then it shall be
17 the duty of said collector to collect all such taxes remaining
18 unpaid by distraint and sale and otherwise according to law.
19 He shall also receive such other moneys of the town as he is
20 authorized by this charter to receive, and all moneys ordered
21 paid him by the common council, giving receipts therefor to
22 the parties paying, and shall keep an accurate account of the
23 same, and his books shall at all times be open for inspection to
24 any taxpayer of the said town, and he shall produce said book
25 to said common council for inspection at any meeting thereof
26 upon the order of the common council; he shall pay over
27 promptly all moneys which he may receive within ten days into
28 the hands of the said recorder, who shall be *ex-officio* treasurer
29 of said town. He shall also on or before the first day of January
30 of each year, present to the common council a full, complete and
31 detailed statement of all moneys with which he was chargeable
32 or that have been received by him up to that time; and shall at
33 the same time furnish a statement of all dues, taxes and assess-
34 ments uncollected and a statement of the reason for the same.
35 He shall at any other time upon the order of the common coun-
36 cil submit a statement of the amount of money and dues with
37 which he is chargeable; and shall receive all taxes upon licenses
38 and receipt to the party paying the same by endorsement upon
39 the permit granted by order of the common council, which
40 permit shall be furnished him by the recorder, and charge him-
41 self with the amount so received, and report to the common
42 council at its next regular meeting thereafter the amount so
43 received, and pay the same to the recorder. He shall, upon all
44 moneys coming into his hands and duly turned over by him
45 to the recorder, receive as compensation therefor a sum to be
46 fixed by the common council not exceeding five *per centum* on
47 amount collected; and shall upon the expiration of his term
48 of office turn over to the common council, all moneys, taxes and
49 other property in his possession belonging to the town. Ha

50 shall on entering upon the duties of his office execute a bond
51 with good security, payable to the Town of Paden City, in the
52 penalty of not less than four thousand dollars, conditioned for
53 the faithful performance of the duties of his office and for the
54 accounting for and paying over, as required by law, all moneys
55 which may come into his hands by virtue of his office; he shall
56 be chargeable with all town taxes, levies, assessments and
57 moneys, of the town that may come into his hands and shall
58 account therefor. He shall pay into the hands of the said
59 recorder as *ex-officio* treasurer all moneys in his hands taking
60 the said recorder's receipt therefor.

Sec. 39. Common council shall prescribe by ordinance the
2 manner and form in which licenses of all kinds shall be applied
3 for and granted, and shall require the payment of the tax there-
4 on before delivery to the person applying therefor.

Sec. 40. The provisions of the twenty-ninth section of chap-
2 ter thirty-two of the code of West Virginia, relating to state
3 license shall be deemed applicable to license of a similar char-
4 acter as those therein mentioned, when granted by or under
5 authority of the common council of said town. License for the
6 keeping of dogs shall expire on the thirtieth day of April next
7 from their granting; all other licenses may be for such term as
8 the common council may determine.

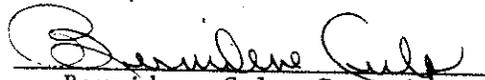
Sec. 41. It shall be the duty of the chief of police to preserve
2 order in the town under the supervision of the mayor.

Sec. 42. The mayor as street commissioner *ex-officio* with the
2 aid and approval of the common council, shall have charge of the
3 opening, maintenance, construction and repair of the streets,
4 alleys, ways and wharves of the town and the control of the
5 laborers thereon.

Sec. 43. The common council in being at the time this act
2 shall take effect shall pass all proper orders, and ordinances,
3 to give to this act full force and effect; and all officers of the
4 town acting as such at the time this act takes effect, shall con-
5 tinue in office until the end of their respective terms, and until
6 their successors are elected and qualified; to exercise the powers
7 and perform the duties and receive the compensation hereto-
8 fore conferred, prescribed and allowed by general law, by-law
9 or ordinance of said town. All general and special laws of the
10 state of West Virginia, governing cities and towns, and now
11 applicable and not inconsistent with the provisions of this act

12 shall apply to and govern the Town of Paden City. All by-
13 laws, ordinances and resolutions lawfully passed and in force
14 in the Town of Paden City under its former organization, and
15 not inconsistent with this act shall remain in force through-
16 the Town of Paden City until altered or repealed by the com-
17 mon council of the said Town of Paden City. All rights and
18 property heretofore vested in said Town of Paden City are
19 continued in its title and no right or liability, either in favor
20 of or against the said Town of Paden City at the time this act
21 takes effect, and no suit or prosecution of any kind, shall be
22 effected by such change, unless otherwise provided for by this
23 act.

Certified to be a true copy from the records
of the City of Paden City this 17th day of
July, 1986.


Bernidene Culp, Recorder

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

TOWN OF PADEN CITY

OATH OF OFFICE

I, John Steggers, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the town of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Councilman of the town of Paden City, West Virginia, so long as I shall continue therein.

John Steggers

Subscribed and sworn to before me this 13th day of June, 1987.

My commission expires March 19, 1995.

Bernadine Culp

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Bernadine Culp
Recorder

STATE OF WEST VIRGINIA
COUNTY OF WETZEL
CITY OF PADEN CITY

TO WIT:

I, Eileen Smith do solemnly swear that I will support
the Constitution of the UNITED STATES, THE CONSTITUTION OF THE STATE
OF WEST VIRGINIA, ^{the charter and ordinances of the City of Paden City,} and that I will truly, faithfully and impartially,
to the best of my ability, discharge the duties of my office as
Councilman of the City of Paden City, West Virginia,
so long as I shall continue therein.

Eileen Smith
Signature

Subscribed and sworn to before me this 9 day of June 1986

My term expires March

Bernadene Culp

Certified to be a true copy taken from the records of the City of Paden
City this 24th day of March, 1987.

Bernadene Culp
Recorder

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

CITY OF PADEN CITY

OATH OF OFFICE

I, John L. Renner, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the City of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Councilman of the City of Paden City, West Virginia, so long as I shall continue therein.

John L. Renner

Subscribed and sworn to before me this 10 day of June, 1986.

My commission expires March 19, 1995.

Bernadene Culp

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Bernadene Culp
Recorder

STATE OF WEST VIRGINIA, COUNTY OF WEIZEL

CITY OF PADEN CITY

OATH OF OFFICE

I, Robert Cecil, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the City of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Councilman of the City of Paden City, West Virginia, so long as I shall continue therein.

Robert V. Cecil

Subscribed and sworn to before me this 11 day of

June, 1986.

My commission expires March 19, 1995.

Bernadene Culp

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Bernadene Culp
Recorder

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

CITY OF PADEN CITY

OATH OF OFFICE

I, Laurence Ed Day, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the City of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Councilman of the City of Paden City, West Virginia, so long as I shall continue therein.

Laurence Ed Day

Subscribed and sworn to before me this 16 day of June, 1986.

My commission expires March 19, 1987.

Bernadene Culp

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Bernadene Culp
Recorder

TOWN OF P A D E N CITY

OATH OF OFFICE

I, Remoth Stewart, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the town of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Governor of the town of Paden City, West Virginia, so long as I shall continue therein.

Remoth Stewart

Subscribed and sworn to before me this 11 day of June, 1985

My commission expires June 30, 1976.

John G. Lee

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Bernadene Cole

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

TOWN OF PADEN CITY

OATH OF OFFICE

I, Donald L. Estep, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the town of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Councilman of the town of Paden City, West Virginia, so long as I shall continue therein.

Donald L. Estep

Subscribed and sworn to before me this 11 day of

June, 1976.

My commission expires June 30, 1976.

John W. [Signature]

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

[Signature]
Recorder

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

TOWN OF PADEN CITY

OATH OF OFFICE

I, John D. Clark, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the town of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Councilman of the town of Paden City, West Virginia, so long as I shall continue therein.

John D. Clark

Subscribed and sworn to before me this 11 day of _____

June, 1985

My commission expires June 30, 1986

John G. [Signature]

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

[Signature]
Recorder

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

TOWN OF PADEN CITY

OATH OF OFFICE

I, Bernadene Culp, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the town of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Recorder of the town of Paden City, West Virginia, so long as I shall continue therein.

Bernadene Culp

Subscribed and sworn to before me this 11 day of _____

June, 1985

My commission expires June 30, 1986

John R. [Signature]

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Bernadene Culp
Recorder

STATE OF WEST VIRGINIA, COUNTY OF WETZEL

CITY OF PADEN CITY

OATH OF OFFICE

I, John H. Lee, do solemnly swear that I will support the constitution of the United States, the constitution of the State of West Virginia, the charter and ordinances of the City of Paden City, and that I will truly, faithfully and impartially, to the best of my ability, discharge the duties of my office as Mayor of the City of Paden City, West Virginia, so long as I shall continue therein.

John H. Lee

Subscribed and sworn to before me this 11 day of

June, 1986.

My commission expires Mar. 19, 1995.

Benjamin Culp

Certified to be a true copy taken from the records of the City of Paden City this 24th day of March, 1987.

Benjamin Culp
Recorder



PUBLIC WORKS

The municipality shall prepare an annual report including a balance sheet, income statement, and list of assets of the Waterworks System. Such a report shall be prepared in accordance with the format and system of accounts provided by the West Virginia Public Service Commission.

The municipality shall publish a financial statement of Waterworks System every year as a Class 1 Legal Advertisement.

Article 4 - Sewage Works

Section 11-21 Authorization of Sewage Works

This municipality shall have the responsibility for the planning and implementation of a Sewage System for the citizens of the municipality and those other area residents whom the city deems it feasible to serve. This is to be accomplished in keeping with existing State statutes with regard to health and environmental considerations and to be enacted with regard to the health, safety, and public interest of the citizens.

The municipality, in keeping with the statutes of the State of West Virginia may engage in contracts for the purpose of planning, engineering, and construction services for providing sewage service for the residents of this municipality and those other populations to be considered.

Section 11-22 Sanitary Board

There is hereby created a Sanitary Board for the City of Paden City. The Sanitary Board shall be appointed by the city council and the members of said Board, upon their appointment, shall qualify by taking the oath of office required of other public officials of the city.

The Sanitary Board shall be composed of the mayor of the City of Paden City and two private citizens of the city appointed, by the city council. During the initial construction period, one of the members must be a registered professional engineer. The engineer member of said Board need not be a resident of this city. No officer or employee of the city shall be eligible to appointment on said Board until at least one year after the expiration of the term of his public office.

The appointment of the original Board shall be for the term of two and three years respectively, and upon the expiration of each term, and each succeeding term thereafter, the appointment of a successor shall be made in like manner for a term of three years. Vacancies shall be filled for the unexpired term in the same manner as the original appointment. The mayor's term shall coincide with his tenure of office.

The Sanitary Board shall have the control over and supervision of the construction acquisition, improvement, equipment, custody, operation and maintenance of a sewage collection system for the city of Paden City; and in addition thereto, said Board shall be vested with and shall exercise all of the rights and perform all of the duties conferred upon it by the laws of the State of West Virginia.

The mayor shall act as Chairman of the Sanitary Board, which shall select from its members a vice chairman and shall designate a secretary and treasurer (but the secretary and treasurer may be one and the same), who need not be a member or members of the Sanitary Board. The vice chairman, secretary and treasurer shall hold office at the will of the Sanitary Board.

PUBLIC WORKS

Section 11-23 Rates or Charges; Establishment and Collection

The Sanitary Board shall, from time to time, establish a system of just and equitable rates or charges for the use of and service rendered by the Sewage System. The schedule of rates or charges shall at all times be adequate to produce gross revenues from the Sewage System to pay the expenses of operation, repair and maintenance thereof and leave a balance of net revenues sufficient to make the prescribed payments into the sinking fund. Such schedule shall be changed and readjusted whenever necessary so that the aggregate of the rates or charges will be sufficient for such purposes. However, the implementation of new rates or charges shall be subject to public hearing and approved by the Public Service Commission.

The schedule of rates or charges aforesaid shall apply to all residential, commercial and industrial establishments in any manner directly or indirectly connected with and served by the Sewage System of said city, and any person, firm or corporation being charged the foregoing rates or charges and being dissatisfied therewith by reason of peculiar or unusual use or occupancy of any premises and consequently alleging peculiar or unusual uses or services of said Sewage System may file application with the city for reclassification.

That the rates or charges aforesaid shall be billed to the owners of the premises, provided, that upon application by the tenant of any premises who is not the owner filed with the city recorder-clerk accompanied by appropriate security or indemnity in an amount and of a kind approved by said recorder-clerk, such bills may be rendered to the tenant; provided, further, that the rendering of a bill to a tenant who is not the owner of the premises shall not affect nor impair the lien of the amount of any delinquent bill upon the real property served by the Waterworks, nor shall rendition affect or impair the right of the city to enforce such lien as hereinafter provided.

The rates and charges aforesaid shall be billed monthly and all bills for said services shall be payable within ten days after rendition. If any such bill as aforesaid is not paid within twenty (20) days following the date rendered a delinquency penalty of 10% of the amount of such bill shall attach and be payable in addition to the amount of such bill. If not paid as aforesaid within such twenty day period such charges shall be deemed delinquent. Billing for Sewer service and Water delivered to the same premises may be included in the same bill and collected in the aggregate. The city recorder-clerk or other officer or agent of the city as may be designated from time to time by the city council shall render the bills for Sewage System as aforesaid and the same shall be collected and accounted for in the manner as prescribed by law and the proceedings pursuant to which the bonds of said city have been issued. If any delinquent bill is not paid within thirty days after rendition thereof the lien in the amount of such bill upon the real property served by the Sewage System shall be enforced by the Sanitary Board in a civil action in the name of the municipality to recover the amount due for such services rendered plus a reasonable attorney's fee, but the city shall not discontinue sewer service unless they have first acquired the approval of the Public Service Commission.

Section 11-24 Duty to Connect to Sewer After Notice

Where any public sewer exists along any of the streets or alleys of the city, it shall be the duty of all persons owning buildings accessible thereto, after having received ten (10) days notice from the Mayor, to connect therewith in order that all waste water may be drained into the same.

PUBLIC WORKS

Section 11-25 Permit Required For Connection: Manner of Making Connections

No connections shall be made with any public sewer or drain without the written permission of the mayor or in any manner different from the mode prescribed by law or ordinance of the city.

Section 11-26 Applications for Connection Permits

All applications by any person for permits to connect with or tap any public sewer or drain must be signed by the owner or tenant of the premises for whose benefit the application is made, or his authorized agent or attorney. Applicants must state the location, name of the owner, number of the building to be connected and how occupied.

Section 11-27 Permit and Bond Required to Connect with Sewer Lines Under City Streets

The council may, at its discretion, and upon the showing of good cause therefor, issue a permit for the purpose of connecting with the sewer lines under any street in the city; or for any other proper purpose, but before doing so, it shall require the person to whom any such permit is issued to deposit a cash bond, or at council's election to execute a good and sufficient surety bond in a sum computed at the rate of Two Dollars per square foot, as a guarantee to said city that the street will be repaired and restored to its former condition. Such bond shall provide for the maintenance of any such repairs for a period of not more than Two years from the day of acceptance of said work and such bond shall be required to cover such required portion and not less than Ten feet square immediately surrounding any opening made for the purpose aforesaid.

Section 11-28 Only Authorized Persons to Make Connections; Connection Fee

All connections with, and openings in, any sewer or drain shall be made by persons authorized and approved by the mayor. For the work of such connection a fee of \$50 Dollars shall be charged for the use of the city, said sum to be collected at the time of issuing the permit.

Section 11-29 Obstructing Sewers Or Drains

It shall be unlawful for any person to obstruct the mouth of any sewer or drain or to place, throw or deposit any butcher's offal, garbage, dead animals or obstruction of any kind in any receiving basin or sewer or to cause such obstruction or substance to be placed so as to be carried in any such sewer or basin.

Section 11-30 Flowing or Draining of Surface Water into Public Sewers Prohibited

It shall be unlawful for any owner, tenant or occupant of any town lot or parcel of land to permit or allow surface water to flow from said lot or parcel of land and drain into the sanitary sewers that have been or may hereafter be constructed by the City of Paden City. It shall be the duty of every owner tenant or occupant, as aforesaid, to provide for the proper drainage of said lot or parcel of land so as to prevent the flow of surface water into any sanitary sewer.

Any violation of this section shall be punished by a fine of not less than \$10.00 Dollars nor more than \$100.00, or by confinement in jail not to exceed 10 days, or by such fine and imprisonment.

PUBLIC WORKS

If, after receiving reasonable notice, any owner, tenant or occupant fails to prevent or prohibit the surface water from flowing or draining into said sanitary sewer, the city may do so and collect the expense thereof, with one per centum per annum interest thereon added from the date of said notice, from the said owner, tenant, or occupant, by distress or sale, in the same manner in which taxes levied upon real estate for the benefit of said city and the expenses shall remain a lien upon real estate in said city, which lien may be enforced by a suit in equity before any court having jurisdiction, as other liens against real estate are enforced.

In case of non resident owners of real estate such notice may be served upon any tenant, or occupant, or by publication thereof once a week for not less than two consecutive weeks in two newspapers of opposite politics of general circulation in the county.

And in all cases where any tenant or occupant is required to prevent or prohibit the flow or drainage of surface water into sanitary sewers, under the provisions of this section, the expense thereof may be deducted out of the accruing or accrued rent of said property or amount due said owner and said tenant or occupant may recover the amount so paid from the owner, unless otherwise especially agreed upon.

Section 11-31 Injury to Sewers or Appurtenances

It shall be unlawful for any person to injure, break or remove any portion of any receiving basin, covering plate, main or cover or any part of any sewer or appurtenances thereto.

Section 11-32 Taps to be Inspected

All taps made on the sanitary sewer shall be inspected by the city's designated inspector. Said inspector is to be present during laying of sewer from the main sewer to the property line. Failure to comply with this section will result in the property owner reopening the ditch for relaying of sewer plus a fine of Five (\$5.00) Dollars and Costs.

Section 11-33 Penalties for Specific Violations

Any person who shall violate or fail to comply with any of the provisions of Sections 11-24, 11-25, 11-26, 11-28, 11-29 and 11-31 shall, upon conviction, forfeit and pay to the city a fine of not to exceed fifty dollars and the costs of prosecution, or be imprisoned not more than ten days, or be both fined and imprisoned at the discretion of the mayor.

Section 11-34 System of Accounts; Audits

This municipality shall establish an accounting system based on the system of accounts as provided by the West Virginia Public Service Commission for the Sewage Works. These accounts shall be audited annually and the audit should be made open to the public.

Section 11-35 Preparation and Publication of Financial Statement

The clerk of the municipality in charge of the accounting for the sewage works shall prepare a monthly income statement to be presented to the mayor and council showing the cash collected and disbursed for the period.

PUBLIC WORKS

The municipality shall prepare an annual report including a balance sheet, income statement, and list of assets of the sewage works. Such a report shall be prepared in accordance with the format and system of accounts provided by the West Virginia Public Service Commission.

The municipality shall publish a financial statement of the sewage works every year as a Class 1 Legal Advertisement.

Article 5 -Solid Wastes

Section 11-36 Authorization of Solid Waste Management

In order to protect the public health and the general welfare of the residents of this municipality, the city council may enact and enforce ordinances for the provision of service to collect and dispose of domestic, commercial or industrial solid wastes from units located within the corporate boundaries of this municipality. This section is not to be interpreted in a manner so as to prevent the city council, of this municipality, from entering into a contractual agreement with a private supplier of solid waste collection and/or disposal services. Nor is the above intended to prevent this municipality from entering into an agreement with other governmental jurisdictions at some time in the future. Any agreement flowing out of the authorization of this section will be achieved in a manner consistent with State Requirements with regard to the establishment of rate structures and penalties to the abuse of services.

Section 11-37 Disposal

The disposal of refuse in any quantity by any person in any place, public or private, other than at the site or sites designated for refuse disposal by the city council is expressly prohibited.

Section 11-38 Operation of Solid Waste Disposal Site

Any operator, whether of a public or private nature, of a solid waste disposal site which is located within the corporate boundaries of this municipality must operate and maintain such a disposal site in such a manner as to qualify the disposal site as a sanitary landfill as defined by the State Health Department and Public Law 94-380 of the United States Code and any rules or regulations adopted pursuant to such legislative authority.

Section 11-39 Premises to be Kept Clean

All persons within the municipality are hereby required to keep their premises in a clean and sanitary condition, free from accumulations of refuse except when stored as provided in this chapter.

Section 11-40 Location of Containers

Where alleys are used by the refuse collectors, containers shall be placed on or within six (6) feet of the alley line in such a position as not to intrude upon the traveled portion of the alley. Where streets are used by refuse collections, containers shall be placed adjacent to and back of the curb, or adjacent to and back of the ditch or street line if there be no curb, at such times as shall be scheduled for the collection of refuse therefrom. As soon as practicable after such containers have been emptied they shall be removed by the owner within, or to the rear of, his premises and away from the street line until the next scheduled time for collection.

AN ORDINANCE TO AMEND ARTICLE 4 OF
THE MUNICIPAL CODE OF PADEN CITY, WEST VIRGINIA
REGULATING SEWER USE

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SEWER USE ORDINANCE

1. DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of terms used herein shall be as follows:

- a. "Board." The duly constituted Sanitary Board of the City of Paden City, Wetzel County, West Virginia.
- b. "B.O.D." or "Biochemical Oxygen Demand." The quantity of oxygen expressed in milligrams per liter, utilized in the biochemical oxidation of organic matter under standard laboratory procedures of five (5) days at 20 degrees Centigrade.
- c. "Building drain." That part of the lowest piping of a drainage system which receives the discharge from soil, waste, and other drainage pipes inside the walls of the building and conveys it to the customer's service line, and/or to the lateral sewer.
- d. "City." The City of Paden City, Wetzel/Tyler Counties, West Virginia, as created and established under the laws of State of West Virginia.
- e. "Customer." A customer is a person, corporation, partnership or association and is that party whether owner or tenant, utilizing sewer service furnished by the City to a property.
- f. "Customer service line." The extension from the building drain of any structure to the lateral of a sanitary sewer controlled by the City.

- g. "Garbage." The animal and vegetable waste resulting from the handling, preparation, cooking, and serving of foods.
- h. "Improved property." Any property located within the City upon which there is erected a structure intended for continuous or periodic habitation, occupancy or use by human beings or animals and from which structure sanitary sewage and/or industrial wastes are or may be discharged.
- i. "Industrial waste." Any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant* or air pollution control facility and other discarded material including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage or solid or dissolved materials in irrigation return flows.
- j. "Lateral." That part of the sewer system extending from a sewer located in the street to the curb line; or, if there shall be no curb line, to the property line; or, if no such lateral shall be provided, the "Lateral" shall mean that portion of, or place in, a sewer which is provided for connection of any customer service line.
- k. "Chairman." The Chairman of Sanitary Board of the City of Paden City, or his authorized deputy, agent, or representative.
- l. "Natural outlet." Any outlet, including storm sewers and combined sewers, which overflows into a water course,

pond, ditch, lake, or other body of surface or groundwater.

- m. "Owner." Any person, corporation, partnership or association vested with ownership, legal or equitable, sole or partial, in any real property.
- n. "Person." Any individual, firm, company, association, society, corporation, partnership or group.
- o. "pH." The reciprocal of the logarithm of the hydrogen ion concentration. The concentration is the weight of hydrogen ions, in grams per liter of solution.
- p. "Right-of-way" or "Easement." An acquired legal right for the specific use of land owned by others.
- q. "Sanitary sewage." Normal water-carried household and toilet wastes from any improved property. The preferred term is wastewater.
- r. "Sanitary sewer." A sewer controlled by the Board that carries liquid and water-carried wastes from residences, commercial buildings, industrial plants and institutions.
- s. "Sewer." Any pipe or conduit that carries wastewater, domestic drainage, sanitary wastes, or industrial wastes.
- t. "Sewer system." All wastewater facilities, owned by the Board, for collecting, pumping, treating and disposing of sanitary sewage or industrial wastes.
- u. "Significant industrial user." Any industrial user that will contribute greater than 10 percent of the design flow or design pollutant loading of the treatment works.

- v. "Single family dwelling." Any room, group of rooms, house trailer or other enclosure occupied or intended for occupancy as separate living quarters by a family or other group of persons living together, or by person living alone.
- w. "Slug." Any discharge of wastewater which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes and is more than 5 times the average twenty-four hour concentration of flows during normal operation and shall adversely affect the collection system and/or performance of the wastewater treatment works.
- x. "Suspended solids." Those solids which are visible and in suspension in the water. Included are the larger floating particles consisting of sand, grit, clay, fecal solids, paper, sticks of wood, particles of food and garbage, and similar materials.
- y. "Wastewater facilities." The structures, equipment, and processes required to collect, carry and treat domestic and industrial wastes and to dispose of the effluent.

2. GENERAL

- a. This sewer use Ordinance has been enacted in compliance with requirements of the United States Environmental Protection Agency (EPA) and the West Virginia Department of Natural Resources (DNR).
- b. In accordance with EPA requirements this Ordinance shall be reviewed by the Board no less often than every two years. Particular items to be included in the review include the wastewater contribution of customers and customer classes and the total cost of operation and maintenance of the wastewater facilities. As a result of the review the Board shall revise the effective rates and charges to accomplish the following.
 - (1) Maintain the proportionate distribution of operation and maintenance costs among customers and customer classes;
 - (2) Generate sufficient revenue to pay the total operation and maintenance costs necessary to the proper operation and maintenance (including replacement) of the wastewater facilities; and,
 - (3) Apply excess revenues collected from a class of customers to the costs of operation and maintenance attributable to that class for the next year and adjust rates accordingly.
- c. The Board will notify each user, at least annually, in conjunction with a regular bill, of the rates which are attribu-

table to wastewater facilities services.

3. USE OF PUBLIC SEWERS REQUIRED

- a. It shall be unlawful for any person to place, deposit or permit to be deposited in any unsanitary manner on public or private property within the City, or in any area under the jurisdiction of said City, any human or animal excrement, garbage, or objectionable waste. It shall be unlawful to discharge to any natural outlet or stream within the City, or in any area under the jurisdiction of said City, any wastewater or other polluted waters, except where suitable treatment has been provided in accordance with subsequent provisions of this Ordinance, as well as with applicable regulations of the U.S. Environmental Protection Agency, the West Virginia Department of Natural Resources and the West Virginia Department of Health.
- b. Except as hereinafter provided, it shall be unlawful to construct or maintain any privy, privy vault, sinkhole, septic tank, cesspool, or other facility intended for wastewater disposal or storage on any property which is presently served by a sanitary sewer of the City.
- c. The owners of all houses, buildings, or properties used for human occupancy, employment, recreation, or other purposes, situated within the City and abutting on any street, alley, right-of-way or easement in which there is now located or may hereafter be located a public sanitary sewer of the City, are hereby required at the Owner's

expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper sanitary sewer in accordance with the provisions of this Ordinance. All sanitary sewage and industrial wastes from any property, after connection of such improved property with a sewer shall be conducted into the sanitary sewer, subject to such limitations and restrictions as are established herein or otherwise shall be established by the Board from time to time.

- d. Every privy vault, cesspool, sinkhole, septic tank or similar receptacle in existence shall be abandoned and, at the discretion of the Board, shall be cleansed and filled at the expense of the Owner, and any such receptacle not so abandoned and/or cleansed and filled, shall constitute a public nuisance and such nuisance may be abated as provided by law. Exception: Paden Park area residences with existing septic tank connected to small diameter sewers.

4. PUBLIC SEWERS AND EXTENSIONS

- a. The Board shall be responsible for maintenance and protection of all public sanitary sewers and existing septic tanks in Paden Park area.
- b. All extension of the sanitary sewers shall be approved by the Board and shall comply with applicable rules and regulations of the West Virginia Department of Natural Resources and the West Virginia State Department of

Health.

- c. Any person or agency, public or private, paving or repairing a road under which a sanitary sewer has been laid shall be responsible for adjusting the height of manhole frames and covers to make them flush with the road surface.
- d. Any person or agency, public or private, changing the elevation of the ground surface above a sanitary sewer shall be responsible for adjusting manhole elevations, correcting sewer structural problems, relocation of sewers, and/or making any other changes directed by the Board that shall be required to protect the sewer and provide access to the sewer.

5. APPLICATION FOR SERVICE

- a. It shall be unlawful for any person or property Owner to connect with or tap a City sewer, either directly or indirectly, without first having obtained a permit from the Board, which permit may be secured by complying with the procedure hereinafter set forth.
- b. The procedure for obtaining a permit for connecting with or tapping the City sewer shall be as provided herein. The property Owner desiring connection shall apply to the Board for a permit. The application for such permit shall be in the following form:

City of Paden City
Sanitary Board
Paden City, West Virginia

APPLICATION FOR SEWER TAP PERMIT

The undersigned makes application to tap into the sewer system of the City of Paden City.

Lot No. _____ Parcel No. _____
House No. _____ Street or Road _____
Date of Tap: Day _____ Month _____ Year _____ Hour _____
By: Name _____ Address: _____

The undersigned property Owner, for and in consideration of the granting of the permission to make said tap, does hereby covenant and agree that (a) he will erect all necessary barricades around the proposed construction and will provide red lights for the same between sun-down and sun-up and will take all other necessary precautions for the protection of the public; (b) he will assume sole responsibility and liability for all claims for injury or damages which may arise or result from said construction; (c) he will save and hold the City of Paden City and

the Board thereof harmless from any and all claims for damages or actions at law or in equity which may arise, either directly or indirectly, out of the making and completing of the construction of the sewer tap or connection applied for; and (d) he will be responsible and liable for any and all damage resulting from said construction; that such liability shall continue for a period of twenty-four months from the date of the final inspection of said work by the duly designated representative of the Board, and that such liability shall include any and all damages or injuries to said street, road, sidewalk, gutter or curb which may appear within a twenty-four months period, as a result of the said work done by applicant, his agents or contractors.

It is further understood that the word "he" shall mean any person, male or female, or any corporation, firm, partnership or association.

Given under my hand and seal, in duplicate, this _____ day of _____, 19_____.

The sewer connection or sewer tap permit shall be in the following form:

PERMIT FOR SEWER TAP

Pursuant to application above, approved; Permit No. _____
Dated this _____ day of _____.

CITY OF PADEN CITY

SANITARY BOARD

PADEN CITY, WEST VIRGINIA

By: _____

Its _____

An application for a sewer tap or connection permit shall be executed in duplicate. The original shall be retained by the Board and the duplicate copy shall be delivered to applicant upon the payment by the applicant of the requisite fee.

c. The fee for a sewer tap permit for residential or commercial service shall be one hundred fifty dollars, and the fee for a sewer tap permit for industrial services shall be two hundred dollars; provided, that where any Owner, or his predecessors

in title, of property consisting of two or more lots has extended the required sanitary sewer lines into a subdivision in accordance with the prior written approval of, and inspection by, the Board, and without cost or expense to the Board, the tap or connection fee shall be one hundred fifty dollars for the main connection of the subdivision sewer main to the public sewer main and in addition a sewer permit shall be obtained for each lot in such subdivision as and when sewer taps or connections to serve such lots are made. The fee for each such additional tap or connection shall be one hundred fifty dollars.

- d. There shall be two classes of building sewer permits: (1) For residential and commercial service, and (2) for service to establishments producing industrial wastes. In either case, the Owner or his agent shall make application on the special form furnished by the Board. The permit application shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the Board. A permit and inspection fee of one hundred fifty dollars for a residential or commercial building sewer permit and two hundred dollars for an industrial building sewer permit shall be paid to the Board at the time the application is filed.
- e. In cases where the Board will transport and treat wastes of users located outside of the City's political jurisdiction, a written agreement between the Board and the political juris-

diction in which such users are located, if there be one, shall be required as a prerequisite for obtaining a sewer connection permit. Such agreement shall provide that the outlying political jurisdiction will institute a system of user charges acceptable to the U.S. Environmental Protection Agency, the West Virginia Department of Natural Resources and the West Virginia Public Service Commission.

6. CUSTOMER SERVICE LINES

- a. No unauthorized person shall uncover, make any connections with, or opening into, use, alter, or disturb any sanitary sewer or appurtenance of the District without first obtaining a written permit from the Chairman.
- b. There shall be two classes of sewer service permits:
 - (a) for residential and commercial service, and (b) for service to establishments producing industrial wastes.In either case, the Owner or his agent shall make application on special form furnished by the Board. The permit application shall be supplemented by any plans, specifications, other information considered pertinent in the judgment of the Board or its Chairman. An adequate and responsible bond shall be required and delivered to the Board for the purpose of repairing and replacing any damage done to any public street or way by reason of such installation of a sewer connection or a sewer before such permit is issued. The Board shall determine the amount of such bond.
- c. All costs and expenses incidental to the installation,

connection and maintenance of the customer services line shall be borne by the Owner. The Owner shall indemnify the Board and the City from any loss or damage that may directly or indirectly be occasioned by the installation of the customer service line, such installation shall be done by a certified plumber or a person approved by the Chairman under whose supervision the installation shall be made.

- d. A separate and independent customer service line shall be provided for every building or series of buildings located on a single parcel of land owned by the applicant. Old building sewers may be used in connection with new customers' service lines only when they are found, on examination by the Chairman, to meet all requirements of this Ordinance.
- e. The slope, alignment, and materials of construction of a customer service line, and the methods to be used in excavating, placing of the pipe, jointing, testing and backfilling the trench, shall all conform to the requirements of the Sanitary Sewer Specifications used by the Board. All customer service lines must be a minimum of 4" diameter and must be of either standard strength vitrified clay pipe provided with ASTM C-425 type special joints, or medium weight ductile iron pipe with O-ring rubber joints, or Class 2400 asbestos-cement pipe, or polyvinyl chloride (PVC) sewer pipe meeting ASTM Spec.

2729. Adequate soil cover to protect the service line from crushing or frost action is required. No customer service line shall be laid in the same trench with any gas and/or water line and must be separated by at least ten feet from any water line. The slope of the customer service line shall be no less than one-eighth inch (1/8") per foot. All excavations for customer service line installation shall be adequately guarded with barricades and lights so as to protect the public from hazard.*

Streets, sidewalks, parkways and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the Board.

- f. The customer service line shall be connected to a sewer at the place designated by the Chairman and shall be made by the Board employees under the supervision of the Chairman. The invert of a customer service line at the point of connection shall be at the same or higher elevation than the invert of the sewer.
- g. No person shall make connection of roof downspouts, foundation drains, areaway drains, or other sources of surface runoff or groundwater to a customer services line or lateral sewer which in turn is connected directly or indirectly to a sanitary sewer. Upon determination that this type of connection has been made, the Board shall cause the Owner to be notified by Certified mail that he shall remove such connections within 30 days. Should the Owner fail to do so, penalties called for

under Section 18, paragraph b of this Ordinance shall be invoked.

- h. Except as otherwise provided in this ordinance, each improved property shall be connected separately and independently with a lateral through an independent customer service line. Grouping of more than one improved property on one customer service line shall not be permitted except under special circumstances and for good sanitary reasons or other good causes shown and then only after special permission of the Chairman as may be prescribed by the Board; provided, however, a single customer service line may be permitted to serve a school, mobile home park, apartment house or other permanent multiple unit property.
- i. Where an improved property, at the time of connection to a public sewer is required, shall be served by its own sewage disposal system or device, the existing sewer line shall be broken on the structure side of such sewage disposal system or device and attachment shall be made, with proper fittings, to continue such sewer line as a customer service line. The Chairman may, at his discretion, permit the utilization of an existing sewer line provided an inspection discloses that it is reasonably true to grade and alignment and in good condition. In case of an existing sewer line utilizing a type of sewer pipe not specified herein, the Chairman shall have the

right to require the Owner to uncover the full extent of the pipe to determine its condition and may require its replacement with approved pipe as outlined herein if the inspection discloses such pipe to be deteriorated in any manner. The cost of replacing the pipe, where necessary, shall be the sole responsibility of the Owner thereof.

- j. No customer service line shall be covered until it has been inspected and approved by the Chairman or his representative. Every customer service line shall be maintained in a sanitary and safe operating condition by the Owner of such improved property.
- k. The applicant for the sewer service permit shall notify the Chairman when the Customer service line is ready for inspection and connection to the public sewer. The connection and testing shall be made by the Chairman or his representative.

7. SEWER USER CHARGES

a. Rates

Sewer user charges, or rates, are imposed upon and shall be collected from the owner of each improved property which shall be connected with the sanitary sewer system, for use of the sewer system, whether such use shall be direct or indirect. The sewer charges shall commence and shall be effective as of the date of connection of each such improved property to the sewer system or within 31 days of availability of the sewer system, whichever is first, and shall be payable as provided herein.

b. The Chairman is authorized to bill the Customer for the cost of services performed at the request of the Customer if the solution to the problem is known or found to be the responsibility of the Customer.

c. Every Owner of improved property which is connected to the sewer system shall provide the Board with and thereafter shall keep the Board advised of his or her correct address. Failure of any person to receive bills for sewer user charges shall not be considered an excuse for nonpayment nor shall such failure result in an extension of the period of time during which the net bill shall be payable.

d. Surcharge for High Strength Users:

Users discharging any water or wastes with a 30 day average BOD in excess of 240 milligrams per liter or a 30 day average suspended solids content in excess of 240 milligrams per liter or containing suspended solids with a

character or quantity of pollutant requiring unusual attention or expenses to handle or treat, shall pay, in addition to the base monthly sewer user charges, an additional surcharge (C_s) as determined by the following formula:

$$C_s = B_c(B) + S_c(S) + P_c(P) Vu$$

where

B	=	Concentration of BOD from a user above a base level (240 mg/l)
B _c	=	O & M cost for treatment of a unit of biochemical oxygen demand (BOD)
S	=	Concentration of suspended solids from a user above a base level (240 mg/l)
S _c	=	O & M cost for treatment of a unit of suspended solids
P	=	Concentration of any pollutant from a user above a base level
P _c	=	O & M cost for treatment of a unit of any pollutant
Vu	=	Volume contribution from a user per unit of time

- e. The Board shall review user charges annually and revise them periodically to reflect actual treatment works operation and maintenance cost.

8. BILLING PROCEDURE

- a. All rates or charges provided for by this Ordinance shall be billed and collected monthly by the Board or by persons or agencies authorized by the Board. All bills shall be considered due and payable on or before the tenth day following the date rendered.

9. LIENS AND PENALTIES FOR NONPAYMENT

- a. Sewer user charges or related charges imposed by Ordinance shall be a lien on the improved property connected to and served by the sewer system; and any such sewer user charges or other charges which are delinquent for a period of 30 days shall, together with a penalty of ten percent and a reasonable attorney's fee, be filed as a lien against the improved property and premises so connected to and served by the sewer system, which lien shall be filed in the office of the Clerk of the County Commission of Tyler County and Wetzel County, West Virginia, and shall be collected in the same manner now provided by law for the enforcement of tax liens on real property. Such liens shall be of equal dignity, rank and priority with a lien on such premises for state, county, school, and municipal taxes.
- b. At the discretion of the Board, it may request that the water service to any improved property be shut off for nonpayment of sewer user charges if the bill for sewer user charges is delinquent for a period of 60 days and such owner shall have received 24-hour notice from the

Board of the intention to shut off the water supply, provided such action is not in violation of any rules of the West Virginia Public Service Commission or West Virginia Department of Health. In such event, water service shall not be restored until the Owner of the improved property has paid all delinquent user charges to the Board, plus the then appropriate charge for the re-installment of the water meter and opening of the water service line.

10. ACCESS TO PROPERTIES

- a. The Board and its Chairman shall have the right of access at reasonable times to any part of any improved property served by the sewer system as shall be required for purposes of maintenance, inspection, measurement, sampling and testing and for the performance of other functions relating to service rendered by the Board through the sewer system.
- b. Every employee of the Board whose duties require him to enter the premises of a customer will carry on his person identification as an employee or representative of the Board.
- c. The Chairman and other duly authorized employees are authorized to obtain information concerning industrial processes which have a direct bearing on the kind and source of discharge to the wastewater collection system.
- d. The Chairman or other duly authorized employees of the

Board bearing proper identification shall be permitted to enter all private properties through which the Board holds a duly negotiated easement for the purpose of, but not limited to, inspection, observation, measurements, sampling, repair, and maintenance of any portion of the wastewater facilities lying within said easement. All entry and subsequent work shall be done in full accordance with the terms of the easement pertaining to the private property involved.

11: DETRIMENTAL WASTES

- a. No person shall discharge or cause to be discharged any unpolluted water such as stormwater, groundwater, roof runoff, subsurface drainage, or cooling water to any sewer.
- b. No person shall discharge or cause to be discharged any any of the following described waters or wastes to any public sewer:
 1. Any gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid, or gas.
 2. Any water or waste with a BOD in excess of 240 milligrams per liter, except as provided for herein.
 3. Any water or waste containing suspended solids in excess of 240 milligrams per liter, except as provided for herein.
 4. Any water containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either

singly or by interaction with other wastes, to injure or interfere with any waste treatment process, constitute a hazard in the receiving waters of the wastewater treatment plant effluent.

5. Any water or waste having pH lower than 6.5 or greater than 8.5 or having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel of the wastewater works or the public sewers.
 6. Any solid or viscous substances in quantities or of such size capable of causing obstruction to the flow in sewers, or other interference with the proper operation of the wastewater facilities such as, but not limited to, gravel, ashes, bones, red dog, sand, mud, coal, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, unground garbage, whole blood, paunch manure, hair and fleshings, entrails, and paper dishes, cups, milk, containers, etc., either whole or ground by garbage grinders.
- c. The following described substances, materials, waters, or waste shall be limited in discharges to the sewer system, to concentrations or quantities which will not harm either the sewers, wastewater treatment process or equipment; will not have an adverse effect on the receiving stream; or will not otherwise endanger lives, limb, public property, or constitute a nuisance. The limitations or restrictions on materials or character-

istics of waste or wastewater discharged to the sewer system which shall not be exceeded by any person without approval of the Chairman are as follows:

1. Wastewater having a temperature higher than 40°C.
2. Wastewater containing more than 25 milligrams per liter of petroleum oil, nonbiodegradable cutting oils, or products of mineral oil origin.
3. Wastewater containing floatable oils, fat, or grease in excess of 30 milligrams per liter.
4. Any garbage that has not been properly shredded with no particle greater than 1/2 inch in any dimension. Garbage grinders may be connected to sanitary sewers only from homes, hotels, institutions, restaurants, hospitals, or similar places where garbage originates from the preparation of food in on-site kitchens for the purpose of consumption on the premises.
5. Any water or waste containing iron, chromium, copper, zinc, mercury, and similar objectionable or toxic substances to such degree that any such material received in the composite wastewater at the wastewater treatment works exceeds the limits established by the Chairman for such materials.
6. Any water or waste containing color-producing or odor-producing substances exceeding limits which may be established by the Chairman.

7. Any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by the Chairman in compliance with applicable state or federal regulations.
 8. Quantities of flow, concentrations, or both which constitute a "slug" as defined herein.
 9. Water or waste containing substances such as synthetic detergents which are not amenable to treatment or reduction by the wastewater treatment processes employed, or are amenable to treatment only to such degree that the wastewater treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.
- d. Grease, oil and sand interceptors shall be provided when, in the opinion of the Chairman, they are necessary for the proper handling of liquid wastes containing grease in excess of amount provided in Paragraph 11.c., or any flammable wastes, sand, and other harmful ingredients; except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by the Chairman, and shall be located as to be readily and easily accessible for cleaning and inspection. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be of

substantial construction, watertight, and equipped with easily removable covers which when bolted in place shall be gastight and watertight. Where installed, all grease, oil and sand interceptors shall be maintained by the Owner, at his expense, in continuously efficient operation at all times.

- e. No statement contained in this Ordinance shall be construed as preventing any special agreement or arrangement between the Board and any industrial concern whereby an industrial waste of unusual strength or character may be accepted by the Board for treatment.

12. ADMISSION OF INDUSTRIAL WASTES

- a. No person shall discharge or cause to be discharged into the sewer system any industrial wastes except upon application to the Board and upon receipt of a written permit therefor. An industrial waste permit shall be in addition to any other permit required for connection to the sewer system. There is no fee required for an industrial waste permit.
- b. Any person desiring to make or use a connection to the sewer system through which industrial wastes will be discharged into the sewer system shall file with the Board an Industrial Wastes Questionnaire, to be furnished by the Board, which shall supply pertinent data, including estimated quantity, flow characteristics and constituents, with respect to the industrial wastes.

- c. Any person who shall discharge industrial wastes into the sewer system, when required by the Board, shall construct and thereafter properly maintain at his own expense, a suitable and accessible control manhole and other devices as may be approved by the Chairman to facilitate observation, accurate measurement and sampling by the Board of industrial waste discharges.
- d. Any improved property discharging industrial wastes into the sewer system and contemplating a change in the method of operation which will alter the characteristics and/or volumes of wastes at the time being discharged into the sewer system shall notify the Board, in writing, at least sixty (60) days prior to consummation of such change. The Board reserves the right to require improved properties having large variations in rates of waste discharge to install suitable regulating devices for equalizing waste flows to the sewer system.
- e. The Board reserves the right to impose surcharges on sewer user charges and/or impose other requirements in connection with any high strength or industrial waste discharge into the sewer system by agreement with the Owner of the improved property, in accordance with the methods described in this Ordinance, or by modification or alterations to this Ordinance as may be acceptable to the West Virginia Department of Natural Resources and the United States Environmental Protection Agency, and/or require the pretreatment of such industrial waste at the expense of such Owner.

13. CHANGE IN CUSTOMER

Each sewer service permit applicant must give written notice to the Board upon any change in ownership of any improved property. The applicant must give written notice also of any change in tenancy and the applicant shall be liable for any sewer user charges that may accrue prior to the notice of vacation of premises.

14. DISCONTINUANCE OF SERVICE

Any customer desiring discontinuance of sewer service due to the vacancy of his premises shall make application therefor directly to the Chairman. Only premises which are both vacant and have had the water supply shut off for one or more complete monthly billing periods are eligible for exoneration from sewer user charges. No exoneration will be granted for less than one full month. In the case of premises with private water supply facilities, such application shall be supported by an affidavit to the effect that such water supply has been shut off. Application for exoneration must be made at least five (5) days in advance of the beginning of discontinuance of service. In all cases involving water service from the District, such service shall not be restored until the Owner of the improved property has paid the necessary charge for the reinstallation of the water meter and opening of the water service line.

15. REFUND AGREEMENTS

In cases where extensions to the sewer system are con-

structed by a builder or developer at his own expense, or by a group of applicants at their own volition and expense, as outlined in the P.S.C. Rules and Regulations for the operation of sewer utilities, a refund of a portion of the sewer user charges paid by customers occupying dwellings served may be made to the builder, developer or other applicants under the terms of a refund agreement shall be an individual agreement between the interested parties, and shall not be construed as outlining a definite procedure as to percentage of refund or the duration thereof. Each and every separate refund agreement shall be negotiated independently of any other existing similar agreement. In no event shall the terms of any refund agreement exceed ten years in duration.

16. PROTECTION FROM DAMAGE

- a. No unauthorized person shall maliciously, willfully or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance, or equipment which is a part of the City sewage works. Any person violating this provision shall be subject to immediate arrest under charge of disorderly conduct.

17. PENALTIES

- a. Any person found to be violating any provision of this Ordinance except Paragraph 17 shall be served by the Board with written notice stating the nature of the violation and providing a reasonable time limit for the

satisfactory correction thereof. The offender shall within the period of time stated in such notice, permanently cease all violations.

- b. Any person who shall continue any violation beyond the time limit provided for in Paragraph "a" shall be guilty of a misdemeanor, and upon conviction thereof shall be fined in an amount not exceeding two hundred dollars (\$200.00) for each violation. Each day in which any such violation shall continue shall be deemed a separate offense.
- c. Any person violating any of the provisions of this Ordinance shall become liable to the Board for any expense, loss or damage occasioned by the Board by reason of such violation.
- d. Fines and costs imposed under provision of the Ordinance shall be enforceable and recoverable in the manner provided by applicable law.

18. VALIDITY

- a. All ordinances or parts of ordinances in conflict herewith are hereby repealed.
- b. The invalidity of a section clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

19. PUBLICATION

This Ordinance shall be published in accordance with the provisions of Chapter 8, Article 13, Section 13, of the West

Virginia Code, as amended.

20. ORDINANCE IN FORCE

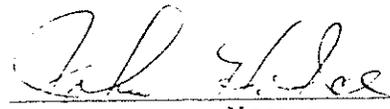
This Ordinance shall be in full force and effect from and after its passage and publication as provided by law.

21. INCONSISTENT ORDINANCES AND REGULATIONS

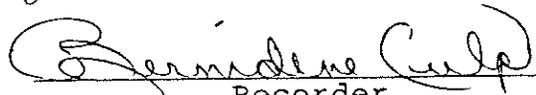
Any and all Ordinances or administrative regulations inconsistent with the provision hereto are hereby repealed at the time hereinabove specified to the extent necessary to give the provisions of this Ordinance full force and effect.

22. READING

This Ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 6th day of January, 1986, and will come for second reading and adoption at the regular meeting of City Council to be held on the 3rd day of February, 1986.

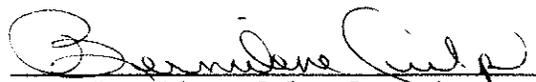


Mayor



Recorder

Certified to be a true copy from the records of the City of Paden City
this 17th day of July, 1986.



Bernidene Culp, Recorder



PETITION

The Sanitary Board of the Town of Paden City, on motion duly passed at its meeting on the 19th day of February, 1987, respectfully petitions the Council of the Town of Paden City to enact an ordinance directing that revenue bonds of the municipality be issued pursuant to the provisions of Chapter 16, Article 13 of the West Virginia Code, in an aggregate amount not to exceed \$850,000 for the purpose of providing moneys for the Town's sewerage system improvements.

All as required by Chapter 16, Article 13 of the West Virginia Code.

SANITARY BOARD OF THE TOWN OF
PADEN CITY

By John H. Lee
Mayor and Chairman -
Paden City Sanitary Board

04/24/87
PADCI1-A



WETZEL CHRONICLE

New Martinsville, W.Va., March 18, 1987.

State of West Virginia, County of Wetzel:

Personally appeared before the undersigned, a Notary Public, Michael A. Galluzzo who,

being duly sworn, states that he is the manager of Wetzel Chronicle, a weekly newspaper of general circulation, published at New Martinsville, County of Wetzel, State of West Virginia, and that a copy of the notice attached hereto was published for 2..

successive weeks in the said Wetzel Chronicle, beginning on the 11... day of Mar...19.87 and ending on the 18... day of Mar.....19.87 and that a copy of said notice was posted at the front door of the Court House of Wetzel County, West Virginia, on the 11... day of Mar..... 19.87.

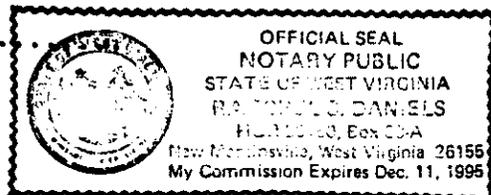
Michael A. Galluzzo
Manager, Wetzel Chronicle

Subscribed and sworn to before me, a Notary Public of said County, on this 18... day of Mar....19.87.

Richard Shloris
Notary Public

My commission expires on the 11... day of Dec.... 19 95.

Printers Fee \$42.88



Wetzel Chronicle, Mar. 11, 1987
TOWN OF PADEN CITY
NOTICE OF PUBLIC HEARING
ON SEWER BOND ORDINANCE

A public hearing will be held on the following entitled Ordinance at a special meeting of the Council of the Town of Padon City to be held on March 23, 1987, at 7:00 p.m. in the Council chambers at the Padon City Town Hall, and at such hearing all objections and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF THE TOWN OF PADEN CITY AND THE FINANCING OF THE COST NOT OTHERWISE PROVIDED THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN \$275,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 A AND NOT MORE THAN \$175,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance was adopted by the Council of the Town of Padon City upon petition of the Sanity Board of the Town on March 9, 1987.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bond issue contemplated thereby. The Bonds are to provide permanent financing of a portion of the costs of acquisition and construction of new sewage treatment and collection facilities for the Town of Padon City (the "Project"). The Bonds are payable solely from revenues derived from the ownership and operation of the sewerage system of the Town and the proceeds of the Bond. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

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

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

Dated March 9, 1987,

John H. Lee
Mayor

LEGAL AD

TYLER STAR NEWS

**TOWN OF PADEN CITY
-NOTICE OF PUBLIC HEARING
ON SEWER BOND ORDINANCE**

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Dated March 9, 1987.

s/ John H. Ice
Mayor

SN 3-11, 18

Sistersville, WV, ... *March 19* ... 19 *87*.

State of West Virginia, County of Tyler:

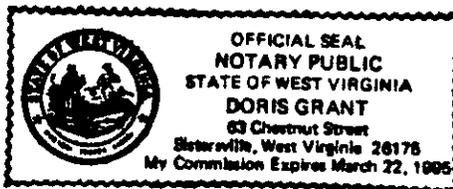
Personally appeared before the undersigned, a Notary Public, ... *Michael H. Galligo* ... who, being duly sworn, states that he is the manager of Tyler Star News, a weekly newspaper of general circulation, published at Sistersville, County of Tyler, State of West Virginia, and that a copy of the notice attached hereto was published for *2* successive weeks in the Tyler Star News, beginning on the *11* day of *March*, 19 *87* and ending on the *18* day of *March*, 19 *87*.

Michael H. Galligo
Manager, Tyler Star News

Subscribed and sworn to before me, a Notary Public of said County, on this *19th* day of *March*, 19 *87*.

..... *Doris Grant* Notary Public

My commission expires on the *22* day of *March*, 19 *95*.





AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY

WHEREAS, the current sewage revenues in the City of Paden City are insufficient to pay the costs of improving, operating and properly maintaining the sewage treatment plant and the network of sewage lines and equipment throughout the city.

WHEREAS, Chapter 24, Article 2, Section 4b of the West Virginia Code as amended provides that rates and charges for municipally operated public utilities shall be adopted by municipal ordinance to be effective not sooner than forty-five days after adoption.

WHEREAS, the Common Council of Paden City, West Virginia, desires to increase the sewage rates and charges so that the same will pay the costs of improving, providing and maintaining sewage service to its customers.

NOW, THEREFORE, be it hereby ordained by the Common Council for the City of Paden City, West Virginia that the following ordinance be adopted and made a part of the Code of the Municipality, to wit:

EFFECTIVE UPON THE COMPLETION OF CONSTRUCTION OF THE PADEN CITY SECONDARY TREATMENT PLANT, the customers of the Paden City Sewage System will pay the following rates:

SEWER RATES

1. Residential - Flat Rate	9.48 per month
2. Commercial - Flat Rate	10.80 per month
3. Non-Metered Industrial - Flat Rate	20.40 per month
4. Metered Rates	
1st 5,000 gallons	1.80 per 1,000 gallons
Next 5,000 gallons	1.56 per 1,000 gallons
Next 30,000 gallons	1.20 per 1,000 gallons
Next 30,000 gallons	1.03 per 1,000 gallons
Next 30,000 gallons	.90 per 1,000 gallons
Next 100,000 gallons	.60 per 1,000 gallons
All Over 200,000 gallons	.48 per 1,000 gallons

MINIMUM METER CHARGE

5/8 inch meter	8.10
3/4 inch meter11.40
1 inch meter19.50
2 inch meter85.20

DELAYED PAYMENT PENALTY

The above schedule is net, on all accounts not paid in full within **twenty (20) days of date of bill**, ten percent (10%) will be added to the next amount shown.

The basis and justification of said rates and charges is to update the sewage treatment plant from a primary treatment facility to a secondary treatment facility.

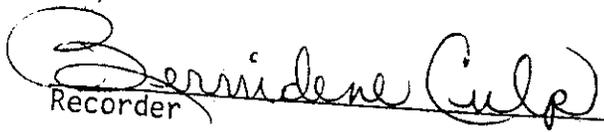
The City Recorder is directed upon the final reading and adoption of this ordinance to send a copy thereof to the Public Service Commission along with accounting justification for the rate increase.

Any and all ordinances or administrative regulations inconsistent with the provision hereto are hereby repealed at the time the increased sewage rates go into effect to the extent necessary to give the provisions of this ordinance full force and effect.

This ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 2nd day of June, 1986 and will come for a second reading and adoption at a special meeting of City Council to be held on the 19th day of June, 1986.



 Mayor



 Recorder

AMEND SECTION 11-23-A

AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY

WHEREAS, the current sewage revenues in the City of Paden City are insufficient to pay the costs of improving, operating and properly maintaining the sewage treatment plant and the network of sewage lines and equipment throughout the city.

WHEREAS, Chapter 24, Article 2, Section 4b of the West Virginia Code as amended provides that rates and charges for municipally operated public utilities shall be adopted by municipal ordinance to be effective not sooner than forty-five days after adoption.

WHEREAS, the Common Council of Paden City, West Virginia, desires to increase the sewage rates and charges so that the same will pay the costs of improving, providing and maintaining sewage service to its customers.

NOW, THEREFORE, be it hereby ordained by the Common Council for the City of Paden City, West Virginia that the following ordinance be adopted and made a part of the Code of the Municipality, to wit:

EFFECTIVE UPON THE COMPLETION OF CONSTRUCTION OF THE PADEN CITY SECONDARY TREATMENT PLANT, the customers of the Paden City Sewage System will pay the following rates:

SEWER RATES

1. Residential - Flat Rate		9.48 per month
2. Commercial - Flat Rate		10.80 per month
3. Non-Metered Industrial - Flat Rate		20.40 per month
4. Metered Rates		
1st	5,000 gallons	1.80 per 1,000 gallons
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1 inch meter	19.50
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DELAYED PAYMENT PENALTY

The above schedule is net, on all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the next amount shown.

The basis and justification of said rates and charges is to update the sewage treatment plant from a primary treatment facility to a secondary treatment facility.

The City Recorder is directed upon the final reading and adoption of this ordinance to send a copy thereof to the Public Service Commission along with accounting justification for the rate increase.

Any and all ordinances or administrative regulations inconsistent with the provision hereto are hereby repealed at the time the increased sewage rates go into effect to the extent necessary to give the provisions of this ordinance full force and effect.

This ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 9th day of March, 1987 and will come for a second reading and adoption at a special meeting of City Council to be held on the 23rd day of March, 1987.

Certified to be a true copy from the records of the Town of Paden City, W.Va. this 23rd day of March, 1987.

Bernadine Culp
Recorder

John H. Lee
Mayor

Bernadine Culp
Recorder

TYLER STAR NEWS

Sistersville, WV, *June 19*..... 19 *86*

State of West Virginia, County of Tyler:

Personally appeared before the undersigned, a Notary Public,
James M. Myers..... who, being duly sworn,
states that he is the manager of Tyler Star News, a weekly
newspaper of general circulation, published at Sistersville, County
of Tyler, State of West Virginia, and that a copy of the notice
attached hereto was published for *2* successive weeks in the
Tyler Star News, beginning on the *11* day of *June*....
19 *86* and ending on the *12* day of *June*.... 19 *86*.

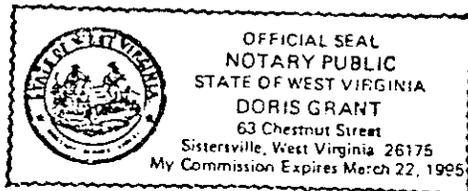
J. Myers
.....
Manager, Tyler Star News

Subscribed and sworn to before me, a Notary Public of said

County, on this *19th* day of *June*... 19 *86*.

Doris Grant..... Notary Public

My commission expires on the *22* day of *March*.. 19 *95*



LEGAL NOTICE

"The City of Paden City will hold a public hearing regarding the adoption of the following ordinance on June 19, 1986 at 7:00 p.m. in the council chambers of the municipal building. Interested persons may appear at the meeting and be heard with regard to the ordinance. Said ordinance is scheduled for second reading and adoption at a special council meeting to be held on June 19, 1986 at 7:15 p.m. in the council chambers of the municipal building."

John H. Ice, Mayor

AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY

WHEREAS, the current sewage revenues in the City of Paden City are insufficient to pay the costs of improving, operating and properly maintaining the sewage treatment plant and the network of sewage lines and equipment throughout the city.

WHEREAS, Chapter 24, Article 2, Section 4b of the West Virginia Code as amended provides that rates and charges for municipally operated public utilities shall be adopted by municipal ordinance to be effective not sooner than forty-five days after adoption.

WHEREAS, the Common Council of Paden City, West Virginia, desires to increase the sewage rates and charges so that the same will pay the costs of improving, providing and maintaining sewage serviced to its customers.

NOW, THEREFORE, be it hereby ordained by the Common Council for the City of Paden City, West Virginia that the following ordinance be adopted and made a part of the Code of the Municipality, to wit:

EFFECTIVE UPON THE COMPLETION OF CONSTRUCTION OF THE PADEN CITY SECONDARY TREATMENT PLANT, the customers of the Paden City Sewage System will pay the following rates:

SEWER RATES

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All over 200,000 gallons	.48 per 1,000 gallons

MINIMUM METER CHARGE

3/4 inch meter	8.10
1 inch meter	11.40
1 1/2 inch meter	19.50
2 inch meter	25.20

DELAYED PAYMENT PENALTY

The above schedule is net, on all accounts not paid in full within twenty (20) days of date of bill, ten percent (10 percent) will be added to the next amount shown.

The basis and justification of said rates and charges is to update the sewage treatment plant from a primary treatment facility to a secondary treatment facility.

The City Recorder is directed upon the final reading and adoption of this ordinance to send a copy thereof to the Public Service Commission along with accounting justification for the rate increase.

Any and all ordinances or administrative regulations inconsistent with the provision hereto are hereby repealed at the time the increased sewage rates go into effect to the extent necessary to give the provisions of this ordinance full force and effect.

This ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 2nd day of June, 1986 and will come for a second reading and adoption at a special meeting of City Council to be held on the 19th day of June, 1986.

SN 6-11, 18

Certified to be a true copy from the records of the City of Paden City this 17th day of July, 1986.


Bernidene Culp, Recorder

WETZEL CHRONICLE

New Martinsville, W.Va., JUNE 18 19. 86

State of West Virginia, County of Wetzel:

Personally appeared before the undersigned, a
Notary Public, JAMES M. MYER who,
being duly sworn, states that he is the manager of
Wetzel Chronicle, a weekly newspaper of general
circulation, published at New Martinsville, County
of Wetzel, State of West Virginia, and that a copy
of the notice attached hereto was published for ...²

successive weeks in the said Wetzel Chronicle,
beginning on the¹¹ day of JUNE 86 19... and ending
on the¹⁸ day of JUNE 86 19... and that a
copy of said notice was posted at the front door of
the Court House of Wetzel County, West Virginia, on
the¹¹ day of JUNE 86 19...

.....
Manager, Wetzel Chronicle

Subscribed and sworn to before me, a Notary Public
of said County, on this¹⁸ day of JUNE 86 19...

.....*Patty A. Wilcox*..... Notary Public

My commission expires on the⁵ day of JAN. 88
19 ...

Printers Fee \$..... 75.95

NOTICE

The City of Paden City will hold a public hearing regarding the adoption of the following ordinance on June 19, 1986 at 7:00 p.m. in the council chambers of the municipal building. Interested persons may appear at the meeting and be heard with regard to the ordinance. Said ordinance is scheduled for second reading and adoption at a special council meeting to be held June 19, 1986 at 7:15 p.m. in the council chambers of the municipal building.

John H. Ice, Mayor

AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY

WHEREAS, the current sewage revenues in the City of Paden City are insufficient to pay the costs of improving, operating and properly maintaining the sewage treatment plant and the network of sewage lines and equipment throughout the city.

WHEREAS, Chapter 24, Article 2, Section 4B of the West Virginia Code as amended provides that rates and charges for municipally operated public utilities shall be adopted by municipal ordinance not sooner than forty-five days after adoption.

WHEREAS, the Common Council of Paden City, West Virginia, desires to increase the sewage rates and charges so that the same will pay the costs of improving, providing and maintaining sewage service to its customers.

NOW, THEREFORE, be it hereby ordained by the Common Council for the City of Paden City, West Virginia that the following ordinance be adopted and made a part of the Code of the Municipality, to wit:

EFFECTIVE UPON COMPLETION OF CONSTRUCTION OF THE PADEN CITY SECONDARY TREATMENT PLANT, the customers of the Paden City Sewage System will pay the following rates:

SEWER RATES

1. Residential-Flat Rate	9.48 per month
2. Commercial-Flat Rate	10.80 per month
3. Non-Metered Industrial-Flat Rate	20.40 per month
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1st 5,000 gallons	1.80 per 1,000 gallons
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DELAYED PAYMENT PENALTY

The above schedule is net, on all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the next amount shown.

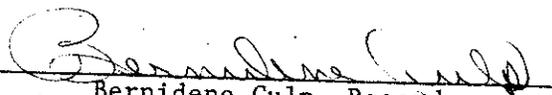
The basis and justification of said rates and charges is to update the sewage plant from a primary treatment facility to a secondary treatment facility.

The City Recorder is directed upon the final reading and adoption of this ordinance to send a copy thereof to the Public Service Commission along with accounting justification for the rate increase.

Any and all ordinances or administrative regulations inconsistent with the provision hereto repealed at the time the increased sewage rates go into effect to the extent necessary to give the provisions of this ordinance full force and effect.

This ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 2nd day of June 1986 and will come for a second reading and adoption at a special meeting of City Council to be held on the 19th day of June, 1986.

Certified to be a true copy from the records of the City of Paden City this 17th day of July, 1986.


Bernidene Culp, Recorder

TYLER STAR NEWS

Sistersville, WV, *March 19*..... 19 *87*.

State of West Virginia, County of Tyler:

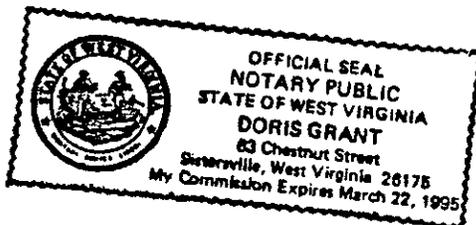
Personally appeared before the undersigned, a Notary Public,
...*Michael A. Halley*... who, being duly sworn,
states that he is the manager of Tyler Star News, a weekly
newspaper of general circulation, published at Sistersville, County
of Tyler, State of West Virginia, and that a copy of the notice
attached hereto was published for *2*... successive weeks in the
Tyler Star News, beginning on the *11*.. day of *March*...
19 *87* and ending on the *18*.. day of *March*... 19 *87*.

Michael A. Halley
.....
Manager, Tyler Star News

Subscribed and sworn to before me, a Notary Public of said
County, on this *14th*.. day of *March*... 19 *87*.

.....*Doris Grant*..... Notary Public

My commission expires on the *23*.. day of *March*... 19 *87*.



LEGAL AD

NOTICE OF PUBLIC HEARING

"The City of Paden City will hold a public hearing regarding the adoption of the following ordinance on March 23, 1987 at 7:00 p.m. in the council chambers of the municipal building. Interested persons may appear at the meeting and be heard with regard to the ordinance. Said ordinance is scheduled for second reading and adoption at a special council meeting to be held March 23, 1987 at 7:15 p.m. in the council chambers of the municipal building."

John H. Ice, Mayor

AMEND SECTION 11-23-A

AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY

WHEREAS, the current sewage revenues in the City of Paden City are insufficient to pay the costs of improving, operating and properly maintaining the sewage treatment plant and the network of sewage lines and equipment throughout the city.

WHEREAS, Chapter 34, Article 2, Section 4b of the West Virginia Code as amended provides that rates and charges for municipally operated public utilities shall be adopted by municipal ordinance to be effective not sooner than forty-five days after adoption.

WHEREAS, the Common Council of Paden City, West Virginia, desires to increase the sewage rates and charges so that the same will pay the costs of improving, providing and maintaining sewage service to its customers.

NOW, THEREFORE, be it hereby ordained by the Common Council for the City of Paden City, West Virginia that the following ordinance be adopted and made a part of the Code of the Municipality to wit:

EFFECTIVE UPON THE COMPLETION OF CONSTRUCTION OF THE PADEN CITY SECONDARY TREATMENT PLANT, the customers of the Paden City Sewage System will pay the following rates:

SEWER RATES		
1. Residential - Flat Rate.....		9.48 per month
2. Commercial - Flat Rate.....		10.80 per month
3. Non-Metered Industrial - Flat Rate.....		30.40 per month
4. Metered Rates		
1st 5,000 gallons.....		1.80 per 1,000 gallons
Next 5,000 gallons.....		1.58 per 1,000 gallons
Next 30,000 gallons.....		1.20 per 1,000 gallons
Next 30,000 gallons.....		1.03 per 1,000 gallons
Next 30,000 gallons.....		.90 per 1,000 gallons
Next 100,000 gallons.....		.60 per 1,000 gallons
All Over 300,000 gallons.....		.48 per 1,000 gallons
MINIMUM METER CHARGE		
1/4 inch meter.....		8.10
1/2 inch meter.....		11.40
1 inch meter.....		19.50
2 inch meter.....		25.20
DELAYED PAYMENT PENALTY		
The above schedule is net, on all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the next amount shown.		

The basis and justifications of said rates and charges is to update the sewage treatment plant from a primary treatment facility to a secondary treatment facility.

The City Recorder is directed upon the final reading and adoption of this ordinance to send a copy thereof to the Public Service Commission along with accounting justification for the rate increase.

Any and all ordinances or administrative regulations inconsistent with the provision hereto are hereby repealed at the time the increased sewage rates go into effect to the extent necessary to give the provisions of this ordinance full force and effect.

The ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 9th day of March, 1987 and will come for a second reading and adoption at a special meeting of City Council to be held on the 23rd day of March, 1987.

Mayor
Recorder

WETZEL CHRONICLE

New Martinsville, W.Va., ... March 19.....19.87

State of West Virginia, County of Wetzel:

Personally appeared before the undersigned, a Notary Public, Michael A. Galluzzo..... who, being duly sworn, states that he is the manager of Wetzel Chronicle, a weekly newspaper of general circulation, published at New Martinsville, County of Wetzel, State of West Virginia, and that a copy of the notice attached hereto was published for ?... successive weeks in the said Wetzel Chronicle, beginning on the 11.... day of Mar.....1987 and ending on the ..18... day of Mar.....1987. and that a copy of said notice was posted at the front door of the Court House of Wetzel County, West Virginia, on the ...11... day of Mar..... 19.87

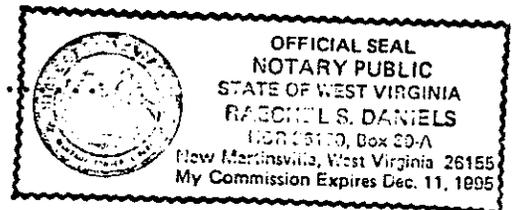
Michael A. Galluzzo
Manager, Wetzel Chronicle

Subscribed and sworn to before me, a Notary Public of said County, on this 19..... day of Mar.....1987.

Rachel S. Daniels Notary Public

My commission expires on the 11..... day of Dec... 19 95..

Printers Fee \$.77.88.....



Weizel Chronicle, Mar. 11, 18

NOTICE OF PUBLIC HEARING

"The City of Paden City will hold a public hearing regarding the adoption of the following ordinance on March 23, 1987 at 7:00 p.m. in the council chambers of the municipal building. Interested persons may appear at the meeting and be heard with regard to the ordinance. Said ordinance is scheduled for second reading and adoption at a special council meeting to be held March 23, 1987 at 7:15 p.m. in the council chambers of the municipal building."

John H. Ice, Mayor

AMEND SECTION 11-23-A

AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY
 WHEREAS, the current sewage revenues in the City of Paden City are insufficient to pay the costs of improving, operating and properly maintaining the sewage treatment plant and the network of sewage lines and equipment throughout the city.

WHEREAS, Chapter 24, Article 3, Section 4b of the West Virginia Code as amended provides that rates and charges for municipally operated public utilities shall be adopted by municipal ordinance to be effective not sooner than forty-five days after adoption.

WHEREAS, the Common Council of Paden City, West Virginia, desires to increase the sewage rates and charges so that the same will pay the costs of improving, providing and maintaining sewage service to its customers.

NOW, THEREFORE, be it hereby ordained by the Common Council for the City of Paden City, West Virginia that the following ordinance be adopted and made a part of the Code of the Municipality, to wit:

EFFECTIVE UPON THE COMPLETION OF CONSTRUCTION OF THE PADEN CITY SECONDARY TREATMENT PLANT, the customers of the Paden City Sewage System will pay the following rates:

SEWER RATES	
1. Residential - Flat Rate.....	\$ 48 per month
2. Commercial - Flat Rate.....	10.80 per month
3. Non-Metered Industrial - Flat Rate.....	30.40 per month
4. Metered Rates	
1st..... 5,000 gallons.....	1.50 per 1,000 gallons
Next..... 5,000 gallons.....	1.56 per 1,000 gallons
Next..... 30,000 gallons.....	1.20 per 1,000 gallons
Next..... 30,000 gallons.....	1.03 per 1,000 gallons
Next..... 100,000 gallons.....	.90 per 1,000 gallons
All Over 200,000 gallons.....	.48 per 1,000 gallons
MINIMUM METER CHARGE	
3/4 inch meter.....	8.10
1 inch meter.....	11.40
2 inch meter.....	19.50
3 inch meter.....	35.20

DELAYED PAYMENT PENALTY
 The above schedule is net, on all accounts not paid in full within twenty (20) days of date of bill, ten percent (10%) will be added to the next amount shown.
 The basis and justifications of said rates and charges is to update the sewage treatment plant from a primary treatment facility to a secondary treatment facility.
 The City Recorder is directed upon the final reading and adoption of this ordinance to send a copy thereof to the Public Service Commission along with accounting justification for the rate increase.
 Any and all ordinances or administrative regulations inconsistent with the provision hereto are hereby repealed at the time the increased sewage rates go into effect to the extent necessary to give the provisions of this ordinance full force and effect.
 The ordinance was introduced and read for the first time at a regular meeting of the City Council held on the 9th day of March, 1987 and will come for a second reading and adoption at a special meeting of City Council to be held on the 23rd day of March, 1987.

Mayor
Recorder



REGULAR COUNCIL MEETING

MARCH 2, 1987

The Common Council of the City of Paden City met in regular session on Monday, March 2, 1987 at 7:00 p.m. in the council chambers of the municipal building with Mayor John H. Ice presiding.

ROLL CALL:

Present were Mayor John H. Ice, Recorder Bernidene Culp, Chief John Lyons, Superintendent Clifford Duke, Attorney Earl Bowser and the following members of council; Robert Cecil, John Clark, Lawrence Eddy, Donald Estep, John Renner, Eileen Smittle, John Stagggers and Kenneth Stewart.

PRAYER:

Council was directed in prayer by Everett Clay of the Church of the Nazarene.

MINUTES: Minutes of regular meeting on Feb. 2, 1987 were corrected to include Motion by Eddy second by Smittle to approve sign hanging and building permit for Jim Goots' True Value Hardware. Motion by Eddy second by Cecil to dispense with the reading of the minutes. Motion carried. Minutes stand approved as corrected.

VISITORS:

Mrs. Martha O'Donnell complained to council regarding recurring theft at her home on N. 7th Ave. Mayor Ice assured Mrs. O'Donnell that the police were patrolling the area and would continue to do so.

Charles Stout of Applied Mechanics addressed council regarding the proposed increase in the Gross Sales Tax on utilities from 1% to 2% and stated that he was sure council was aware of the ramifications of such an increase especially to the business level customer. Mayor Ice noted that cities are restricted by state law regarding methods of raising revenue and that a bill has been introduced into the legislature giving cities the right to levy any tax that the state levies. Mayor Ice stated that he is not optimistic regarding passage of the bill. Finance Chairman Donald Estep noted that the committee has been sensitive to gas customers especially considering local industries by increasing only to 2% when state law would allow an increase in excess of 4%. Electric utilities will be required to pay 3% according to Estep and this, Estep stated, seemed a fairer way of gaining revenue to offset loss of Revenue Sharing even though complete recovery of lost funds is impossible and the city will not be increasing line items or salaries on the budget proposed for 1987-88.

ANNEXATION:

Larry, Rick and Ron Heasley presented request for annexation from the Edgewood Addition and requested that the city insure a 40' right of way through Meadow Heights to Edgewood Addition to provide standard access for any future development in the event Edgewood Addition is annexed. Motion by Estep second by Smittle to refer matter to Annexation Committee (Kenneth Stewart and John Clark). Motion carried.

Councilman Cecil stated that a survey sheet is currently being circulated on N. 7th Ave. to those property owners outside city limits regarding annexation with approximately 80-90% in favor of annexation at this point.

LUNCH:

Mayor Ice reported that the city staff has been invited to the Grade School on Thursday and the Middle School on Friday for lunch in recognition of National Nutrition Week.

SEWER BOND ORDINANCE:

Mayor Ice read petition from the Sanitary Board asking that the council enact an ordinance directing that revenue bonds of the municipality be issued pursuant to the provisions of Chapter 16, Article 13 of the West Virginia Code, in an aggregate amount not to exceed \$850,000 for the purpose of providing moneys for the town's sewerage system improvements.

Motion by Eddy second by Cecil to accept as first reading an "ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF THE TOWN OF PADEN CITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN \$675,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 A AND NOT MORE THAN \$175,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF THE TOWN OF PADEN CITY IN THE EVENT OF DEFAULT BY THE ISSUERS OF SAID BONDS."

SUPPLIED BY THE WATER WORKS SYSTEM OF THE CITY OF PADEN CITY, WEST VIRGINIA." Motion carried with Councilperson Smittle voting "no". Ordinance will increase residential rate by 75¢ and all other water rates by the same percentage. (Second reading and adoption scheduled for special council meeting on March 23rd following public hearing regarding same)

GARBAGE: NO REPORT

BUILDING:

Motion by Eddy second by Estep granting Lawrence Goddard on N. 8th Ave. a variance of 9' on front clearance. Motion carried. Eddy noted that property is on a dead end street that will not likely be opened beyond this property, and is situated on the hillside necessitating approximately a 40' wall on the West side.

Motion by Eddy second by Estep to grant a 9' variance to Dan Johns on lot #33 on Pollock Street. Motion carried. Eddy noted that variance will allow Johns to line up his carport with porches on existing homes on the street.

FIRE:

Chairman Stagers reported that the Disaster Planning Committee will meet again on March 9th to finalize recommendations.

FIRE DEPT. SOLICITATION:

Motion by Stewart second by Smittle to grant permission to solicit to photographers in charge of fire department fund raising. Motion carried.

SAFETY:

Chairman Renner exhibited example of brochure to be utilized by the Disaster Planning Committee for distribution throughout the city.

PARK:

Chairman Cecil reported that Joe Anderson has resigned his recent appointment to the Park Commission.

A brochure currently being designed by the Park Commission providing information on facilities and activities is scheduled for city wide circulation.

The State Conservation Office is working with the High School program involved in park beautification and will consider providing 100-200 trees for planting in the park area.

OLD BUSINESS:

In response to question by Councilperson Smittle, Mayor Ice stated that her request concerning manholes will be addressed as Superintendent Duke's schedule permits.

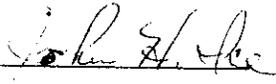
Councilperson Smittle suggested that the city obtain a new dog catcher and require that he have a telephone.

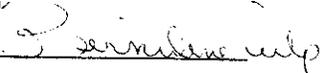
CURFEW:

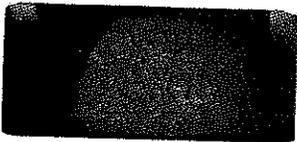
Motion by Renner second by Stagers to accept as first reading "AN ORDINANCE TO AMEND SECTION 9-22 OF THE CITY CODE 'AN ORDINANCE PERTAINING TO CHILD WELFARE AND PROVIDING A COMPULSORY CURFEW AND PENALTY FOR THE VIOLATION THEREOF.'" Motion carried. Amendment discontinues the sounding of the curfew signal.

ADJOURN:

Motion by Eddy second by Renner to adjourn. Motion carried.

SIGNED: 

ATTEST: 

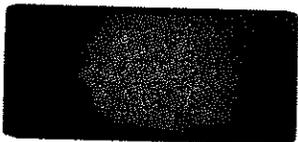


WEST VIRGINIA, WETZEL COUNTY

I, BERNIDENE CULP, Recorder of the City of Paden City do hereby certify the foregoing writing is a true and correct copy as appears of record in my office.

Given under my hand and Seal of the City of Paden City this 21st day of April, 1987.

Bernidene Culp
Recorder-City of Paden City



SPECIAL COUNCIL MEETING

MARCH 9, 1987

The Common Council of the City of Paden City met in special session on Monday, March 9, 1987 at 7:00 p.m. in the council chambers of the municipal building with Mayor John H. Ice presiding.

ROLL CALL:

Mayor John H. Ice, Recorder Bernidene Culp, Attorney Earl Bowser and the following members of council; Robert Cecil, John Clark, Lawrence Eddy, Donald Estep, John Renner, Eileen Smittle and John Stagers. Kenneth Stewart was called away on an emergency before the meeting was called to order.

AGENDA: SECOND READING - SEWER BOND ORDINANCE
FIRST READING - REINACTMENT OF SEWER RATES
ADOPTION OF 1987-88 BUDGET
POLICE DEPT. BUDGET - VEHICLE REPAIR
CURB BREAKAGE

BOND ORDINANCE:

Motion by Eddy second by Cecil to accept as a second reading by title an "ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF THE TOWN OF PADEN CITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NOT MORE THAN \$675,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 A AND NOT MORE THAN \$175,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1987 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS: APPROVING AND RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO." Motion carried.

REINACTMENT OF SEWER RATES:

Mayor Ice noted that it was necessary to reinact the sewer rates to go into effect upon the completion of the sewage project because of problems with the first publication date. Motion by Cecil second by Renner to accept as a first reading "AN ORDINANCE TO INCREASE SEWAGE RATES IN THE CITY OF PADEN CITY". Motion carried.

ADOPTION OF 1987-88 BUDGET:

Finance Chairman Donald Estep reviewed budget as proposed by the Finance Committee. It was noted that salaries for expiring terms on council have been increased to \$45 per month making council salaries uniform. Estep stated that he felt it would be wise for the city to participate in the state insurance program this year since replacement cost has been added to their coverage noting that there are 500 participants to date in the program.

Motion by Estep second by Eddy to adopt budget as proposed and forward to the State Tax Department for approval. Motion carried. Council to reconvene on the third Tuesday in April (April 21, 1987) to officially lay the levy.

POLICE:

Motion by Estep second by Eddy to move \$600 from 455-26 Insurance to 455-17 Repair Cruiser to cover cost of repairs to transmission on cruiser which Chief Lyons says is imminent. Motion carried.

Motion by Smittle second by Clark authorizing Chief Lyons to proceed with transmission repair. Motion carried.

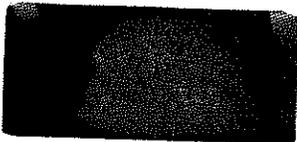
CURB BREAKAGE:

Motion by Cecil second by Eddy to approve the breaking of 14' of curb by Dan Johns on Pollock Street. Motion carried.

SANITATION:

Project Engineer A.M. Sanghavi briefed council on the progress of the sewerage project stating that the bond closing will be on March 30, 1987 in Charleston and that a preconstruction conference will be held the same day with construction beginning sometime thereafter and completion expected in 9 months although the contract allows for an 18 month construction period. Bids on the Paden Park portion or Contract #1 will be opened on March 12th and awarding of contract is expected by May.

Motion by Smittle second by Clark to adjourn to April 21, 1987 at 7:00 p.m.

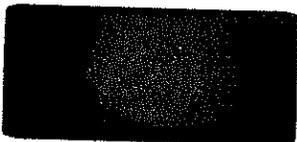


WEST VIRGINIA, WETZEL COUNTY

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Given under my hand and Seal of the City of Paden City this 21st day of April, 1987.

Bernidene Culp
Recorder-City of Paden City



SEWAGE RATE REINACTMENT

PUBLIC HEARING - MARCH 23, 1987

The City of Paden City held a public hearing on Monday, March 23, 1987 at 7 p.m. in the council chambers of the municipal building regarding the adoption of an ordinance to reinact sewage rates. Original enactment fell short regarding publication days.

ROLL CALL:

Present were Mayor John H. Ice, Recorder Bernidene Culp, Attorney Earl Bowser and the following members of council; John Clark, Robert Cecil, Lawrence Eddy, Donald Estep, John Renner, Eileen Smittle and Kenneth Stewart. A.M. Sanghavi and Jim Mylott also in attendance.

Mayor Ice asked repeatedly if anyone present had any comments regarding the reenactment of the sewerage rates. There being no questions or comments, Mayor Ice stated that the public hearing was closed.

PUBLIC HEARING - WATER RATE INCREASE
MARCH 23, 1987

The City of Paden held a public hearing on Monday, March 23, 1987 at 7:05 p.m. in the council chambers of the municipal building regarding the adoption of an ordinance raising water rates within the city.

ROLL CALL:

Present were Mayor John H. Ice, Recorder Bernidene Culp, Attorney Earl Bowser and the following members of council; John Clark, Robert Cecil, Lawrence Eddy, Donald Estep, John Renner, Eileen Smittle and Kenneth Stewart.

Mayor Ice asked for any comments or questions regarding the proposed water rate increase.

Councilperson Smittle stated that she was against the increase being of the opinion that cuts should be made and old debts collected before rates increased but added that she didn't have all the answers.

Water Chairman, Kenneth Stewart noted that the committee had asked for any suggestions but that because of the increase in costs the committee could see no other alternative to raising the rates. Councilman Eddy noted that no one on the committee was in favor of increasing rates but there was no other answer.

When no other comments were forthcoming, Mayor Ice declared the public hearing closed.

PUBLIC HEARING - SEWER BOND ORDINANCE
MARCH 23, 1987

The City of Paden City held a public hearing on Monday, March 23, 1987 at 7:15 p.m. in the council chambers of the municipal building regarding the adoption of a sewer bond ordinance authorizing the issuance by the town of not more than \$675,000 in Series 1987 A and \$175,000 in Series 1987 B sewer revenue bonds.

Sanitary Board Member and Engineer, A.M. Sanghavi, briefed council on the project and there being no comments or questions from the public, Mayor Ice declared the public hearing closed.

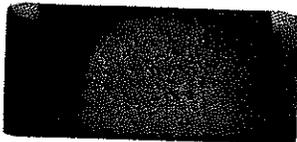
SPECIAL COUNCIL MEETING
MARCH 23, 1987

The Common Council of the City of Paden City met in special session on Monday, March 23, 1987 at 7:20 p.m. in the council chambers of the municipal building with Mayor John H. Ice presiding.

AGENDA: SEWER BOND ORDINANCE-THIRD READING AND ADOPTION
REINACTMENT OF SEWER RATES-SECOND READING AND ADOPTION
WATER RATE INCREASE-SECOND READING AND ADOPTION
AIR COMPRESSOR
VARIANCE-JOHN BARKER-STEPHEN STREET

SEWER BOND ORDINANCE:

Walter Williams of Steptoe and Johnson addressed

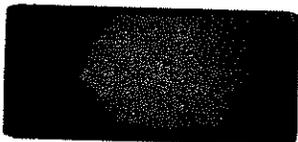


WEST VIRGINIA, WETZEL COUNTY

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Given under my hand and Seal of the City of Paden City this 21st day of April, 1987.

Bernidene Culp
Recorder-City of Paden City



PUBLIC HEARING - SCBG PROGRAM

APRIL 6, 1987

The City of Paden City held a public hearing on April 6, 1987 to solicit public input for a possible "Small Cities Block Grant" application to be submitted to the Governor's office by June 1, 1987.

Jim Mylott of the Mid-Ohio Valley Regional Council explained that the program is geared to improvements affecting low to moderate income persons.

Councilperson Smittle asked if funds could be sought to pave N. 2nd Ave. that leads to the elementary school. It was noted that this street would probably not meet the low to moderate income guidelines.

Mayor Ice stated that community development was one aspect being considered by the city.

There being no further comment Mayor Ice declared the public meeting closed.

REGULAR COUNCIL MEETING

APRIL 6, 1987

The Common Council of the City of Paden City met in regular session on Monday, April 6, 1987 immediately following a public hearing held at 7:00 p.m. with Mayor John H. Ice presiding.

ROLL CALL:

Present were Mayor John H. Ice, Recorder Bernidene Culp, Chief Lyons, Public Works Superintendent Duke, Attorney Earl Bowser and the following members of council; Robert Cecil, John Clark, Lawrence Eddy, Donald Estep, John Renner, Eileen Smittle, John Staggers and Kenneth Stewart.

MINUTES:

Motion by Staggers second by Eddy to dispense with the reading of the minutes. Motion carried. Minutes of regular and special meetings stand approved as presented.

CITIZENS:

Charles Racer, President of the Paden City Ambulance Service, stated that he would like to dispel some malicious rumors concerning a run made by the squad on April 28th. There was no truth to the rumor that the ambulance broke down and took 45 minutes to arrive on the scene. It took exactly 12 minutes from the time the call came in until someone was at the scene and aid was being administered to the victim & 1-2 minutes before the rest of the squad and ambulance arrived. Racer stated also that there was no truth to the rumor that the police dept. interfered with the ambulance squad noting that the police dept. waited outside while the victim was being prepared for transport to the hospital. The ambulance left the scene at 12:53 and arrived at the hospital at 1:07. Racer stated that after investigation he and the ambulance authority could find absolutely nothing wrong with the run.

CORRESPONDENCE:

Mayor Ice read copy of letter of appreciation being sent to Governor Moore upon the completion of the Final Performance Report for the Small Cities Block Grant of \$499,092 which was awarded to the city and made possible the paving of 7,567 l.f. of streets.

TAG DAY:

Motion by Smittle second by Renner giving the Little League permission to solicit door to door on April 25th. Motion carried.

PARENTS CLUB:

Motion by Stewart second by Staggers granting permission to solicit to the Parents Club for a 2 week period at their discretion with no solicitation after 8:00 p.m. Motion carried.

DAV-FORGET ME NOT:

Motion by Smittle second by Renner granting permission to Disabled American Veterans to conduct a "Forget Me Not" sale on a date to be set by that organization.

PARK:

Chairman Cecil reported that 40 shrubs and trees have been planted at the park and that through a high school project over a two year period up to 1,000 trees and shrubs will be planted. Cecil noted plans for "Spring-fest" are proceeding with the idea of encouraging people to use the park and not to make money.

Motion by Eddy second by Smittle to approve the appointment of Leonard B. Hammel to the Board of Park Commissioners for a four year term. Motion carried.

LABOR DAY:

Mayor Ice noted that he will be sending letters to various dignitaries encouraging them to participate in the Labor Day Parade with Mark Feldmeier and Norman Trowbridge acting as chairman of that project.

BASKETBALL CHAMPIONS SIGN:

Signs denoting the Class A Champs can be purchased through the Prison Industries at Moundsville at a cost of approximately \$69.96 each. Parents Club to be given chance to include in their proposed fund raising and if that is not possible the city will consider paying the cost of erecting one at each end of town.

HIRING BY SUPERINTENDENT:

Motion by Smittle second by Cecil authorizing Superintendent Clifford Duke to hire individuals on a part time basis in an emergency situation. Motion carried.

DRAINAGE TILE:

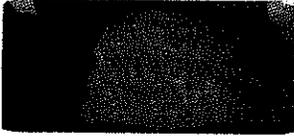
Councilperson Smittle reported that she has been approached by Mike Tallman and Russell Hildreth to see if the city would place tile purchased by them in the run on the rear of their property. It was noted that a permit must be obtained from the Department of Natural Resources before making any changes in a natural drain. Smittle to notify property owners of their responsibility in obtaining such a permit.

Motion by Smittle second by Cecil to adjourn.

SIGNED: John H. Cecil

ATTEST: Bonnie L. Tulp

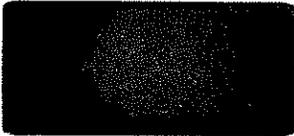
Special Council meeting to be held on April 21st following the laying of the levy scheduled for 7:00 p.m. with the following agenda:
Air Compressor, Water Extension, Wilcats Resolution and Evacuation Plan.



WEST VIRGINIA, WETZEL COUNTY

I, BERNIDENE CULP, Recorder of the City of Paden City do hereby certify the foregoing writing is a true and correct copy as appears of record in my office.

Given under my hand and Seal of the City of Paden City this
21st day of April, 1987.


Bernidene Culp
Recorder-City of Paden City



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) 624-8183

CHARLESTON OFFICE

715 CHARLESTON NATIONAL PLAZA

P. O. BOX 1588

CHARLESTON, W. VA. 25328

(304) 342-2191

TELECOPIER (304) 342-0726

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
MARTIN R. SMITH, JR.
W. RANDOLPH FIFE

OF COUNSEL
ROBERT W. LAWSON, JR.

WRITER'S DIRECT DIAL NUMBER

CLARKSBURG

RALPH BOHANNON
ERNEST C. SWIGER
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
ROBERT G. STEELE
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPOT, JR.
ANNE R. WILLIAMS
JAMES D. GRAY
VINCENT A. COLLINS
JAMES A. RUSSELL
FRANK E. SIMMERMAN, JR.
WILLIAM T. BELCHER
MICHAEL L. BRAY
DAVID C. CLOVIS
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
RONALD H. HANLAN
C. DAVID MORRISON
HARRY R. 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
LOUIS E. ENDERLE
ROBERT J. SCHIAVONI

July 20, 1987

Town of Paden City
Sewer Revenue Bonds,
Series 1987 A

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Internal Revenue Service
Internal Revenue Service Center
Philadelphia, Pennsylvania 19255

Gentlemen:

Enclosed herewith is a completed and executed Internal Revenue Service Form 8038 and a file copy thereof with regard to the above-captioned bond issue. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked in red as the "File Copy" to me (after acknowledging receipt of the same) in the enclosed self-addressed, stamped envelope. Thank you for your attention to this matter.

Very truly yours,

By Walter L. Williams

STEPOT & JOHNSON

Enclosure

07/20/87
PADCI1-V

Form **8038-G**

(December 1986)

Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Bond Issues

Under Section 149(e)

(Use Form 8038-GC if issue price is under \$100,000.)

OMB No. 1545-0720

Expires 12-31-89

Part I Reporting Authority

Check box if Amended Return

1 Issuer's name Town of Paden City	2 Issuer's employer identification number 55-6000226
3 Number and street P. O. Box 211 208 West Main Street	4 Report number G198 7 - 1
5 City or town, state, and ZIP code Paden City, West Virginia 26159	6 Date of issue April 28, 1987

Part II Type of Issue (check box(es) that applies)

7 Check box if bonds are tax or other revenue anticipation bonds <input type="checkbox"/>	Issue Price
8 Check box if bonds are in the form of a lease or installment sale <input type="checkbox"/>	
9 <input type="checkbox"/> Education	
10 <input type="checkbox"/> Health and hospital	
11 <input type="checkbox"/> Transportation	
12 <input type="checkbox"/> Public safety	
13 <input checked="" type="checkbox"/> Environment (including sewage bonds)	
14 <input type="checkbox"/> Housing	
15 <input type="checkbox"/> Utilities	
16 <input type="checkbox"/> Other. Describe (see instructions) <input type="checkbox"/>	

Part III Description of Bonds (Bonds provide for level amortized payments over 38 year* term)

	(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
17 Final maturity	10-1-2026	8.38%	\$ 43,522	\$ 43,522			
18 Entire issue			\$536,426	\$536,426	28.9 years		8.5%

Part IV Uses of Original Proceeds of Issue (including underwriters' discount)

19 Proceeds used for accrued interest	19	-0-
20 Proceeds used for bond issuance costs (including underwriters' discount)	20	\$ 6,986
21 Proceeds used for credit enhancement	21	-0-
22 Proceeds allocated to reasonably required reserve or replacement fund	22	-0-
23 Proceeds used to refund prior issues	23	-0-
24 Nonrefunding proceeds of the issue (subtract lines 20, 21, 22, and 23 from line 18, column (c))	24	\$529,440

Part V Description of Refunded Bonds (complete this part only for refunding bonds)

25 Enter the remaining weighted average maturity of the bonds to be refunded	_____ years
26 Enter the last date on which the refunded bonds will be called	_____
27 Enter the date(s) the refunded bonds were issued	_____

Part VI Miscellaneous

28 Enter the amount (if any) of the state volume cap allocated to this issue	-0-
29 Arbitrage rebate:	
a Check box if the small governmental unit exception to the arbitrage rebate requirement applies <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
b Check box if the 6-month temporary investment exception to the arbitrage rebate requirement is expected to apply <input type="checkbox"/>	<input type="checkbox"/>
c Check box if you expect to earn and rebate arbitrage profits to the U.S. <input type="checkbox"/>	<input type="checkbox"/>
30 Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(ii)	-0-
31 Pooled financings:	
a Check box if any of the proceeds of this issue are to be used to make loans to other governmental units <input type="checkbox"/> and enter the amount <input type="checkbox"/>	
b Check box if this issue is a loan made from the proceeds of another tax-exempt issue <input checked="" type="checkbox"/> and enter the name of the issuer <input checked="" type="checkbox"/> West Virginia Water Dev. Authority and the date of the issue <input checked="" type="checkbox"/> May 22, 1986	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief they are true, correct, and complete.

John A. Lee
Signature of officer

4-28-87
Date

Mavor
Title





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III

841 Chestnut Building
Philadelphia, Pennsylvania 19107

OCT 07 1985

CERTIFIED MAIL

RE: C-540250-02
Paden City

Honorable John H. Ice
Mayor of Paden City
P.O. Box 211
Paden City, West Virginia 26159

Dear Mayor Ice:

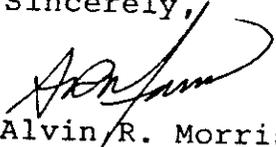
We are pleased to inform you of the award of a Step II/III Federal grant for the preparation of construction drawings and specifications, and the construction of wastewater treatment works for the referenced project, as described in your application and approved by the West Virginia Department of Natural Resources.

The grant award is for an amount not to exceed \$1,170,160 which includes Basic funds of \$996,980, Alternative funds of \$41,940 and Innovative funds of \$131,240, and is subject to the conditions set forth in Part III of the Assistance Agreement.

Copies of the applicable Federal Regulations are forwarded for your reference.

The original and a copy of the Assistance Agreement are enclosed. The original copy of the Agreement should be signed and returned to Ms. Catherine Mastropieri, Chief, Grants Management Section, within twenty-one days of your receipt. The copy should also be signed and retained for your files.

Sincerely,


Alvin R. Morris, Director
Water Management Division

Enclosures (2)

cc: Mr. Mike Johnson, WVDNR
Mr. Edgar Henry, WDA
S & S Engineers

P 682 429 299

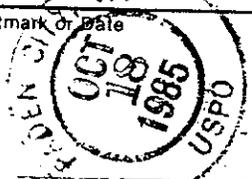
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

Grants Management S
(See Reverse)

U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to	<i>EPA Region 1</i>
Street and No.	<i>Catherine Mastropascoli 841 Chestnut Bldg</i>
City, State and ZIP Code	<i>Philadelphia, PA 19107</i>
Postage	<i>39</i>
Certified Fee	<i>75</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	<i>70</i>
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	<i>184</i>
Postmark or Date	

PS Form 3811, July 1982

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- Show to whom and date delivered
 - Show to whom, date, and address of delivery
2. RESTRICTED DELIVERY
- (The restricted delivery fee is charged in addition to the return receipt fee.)*
- TOTAL \$

3. ARTICLE ADDRESSED TO:

4. TYPE OF SERVICE:	ARTICLE NUMBER
<input type="checkbox"/> REGISTERED	P682429299
<input type="checkbox"/> CERTIFIED	
<input type="checkbox"/> EXPRESS MAIL	
<input type="checkbox"/> INSURED	
<input type="checkbox"/> COD	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE Addressee Authorized agent

5. DATE OF DELIVERY: **OCT. 21 1985**

POSTMARK (may be on reverse side)

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:	7a. EMPLOYEE'S INITIALS
-------------------------------	-------------------------

RETURN RECEIPT

City of Paden City

208 W. Main Street - P. O. Box 211

Paden City, WV 26159

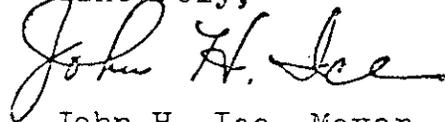
October 18, 1985

Ms. Catherine Mastropieri, Chief
Grants Management Section
Environmental Protection Agency
Region III
841 Chestnut Building
Philadelphia, PA 19107

Dear Ms. Mastropieri:

I am enclosing the signed contract accepting the EPA
Grant Application funding.

Sincerely,



John H. Ice, Mayor

JHI/sm

Mailed
Oct 18, 1985

Keep in file

PADEN CITY

10/16/85

	TOTAL	Basic 55%	Innovative 75%	Alternative 75%	City's
Adm. Exp.	2000	575	543	172	710
Arch. Engr. Basic	9680	2781	2628	840	3,431
Other A/E Fee	18,168	5,213	4,933	1,577	6,441
Const. Insp. Fee	96,152	27,621	26,106	8,344	
Const. Proj. Insp.	1,451,637	416,976	394,125	126,000	514,531
Advance of Allow.	30,451	8748	8268	2642	15,905
Design Allow.	59,497	17,092	16,154	5,163	21,089
Contingencies	145,115	41,730	39,394	12,535	51,456
TOTAL	\$1,812,700	\$520,736	\$492,151	\$157,273	\$642,540
	\$1,812,700	\$1,170,160		\$642,540	
	TOTAL	Federal Share		City Share	

EPA Design Allowance

For 1,200,000	→	6.3383 %	→	\$ 76,060
1,500,000	→	6.1690 %	→	92,535
Diff. \$300,000				\$16,475

Paden City Base Const. Cost = \$ 1,451,637

∴ Design Allowance = \$ 89,948.00

Advance Received (5/85) = 19,658.00

50% Advance = \$ 44,974 - 19,658 = \$ 25,316.00 received Request #1

U.S. ENVIRONMENTAL PROTECTION AGENCY
 EPA ASSISTANCE AGREEMENT/AMENDMENT
 PART I: ASSISTANCE NOTIFICATION INFORMATION

1. ASSISTANCE ID NO C-540250-02-0	2. LOG NUMBER Three - C
3. DATE OF AWARD SEP 30 1985	4. MAILING DATE OCT 07 1985

5. AGREEMENT TYPE		6. PAYMENT METHOD					
Cooperative Agreement		<input type="checkbox"/> Advance	<input checked="" type="checkbox"/> Reimbursement				
Grant Agreement	X	Send Payment Request To					
Assistance Amendment		Grants Management Section	7. TYPE OF ACTION Continuation				
8. RECIPIENT	Paden City P.O. Box 211 Paden City, West Virginia 26159		9. PAYEE				
			Paden City P. O. Box 211 Paden City, West Virginia 26159				
11. PROJECT MANAGER AND TELEPHONE NO.	10. RECIPIENT TYPE		12. CONSULTANT (WWT Construction Grants Only)				
John H. Ice, Mayor (304) 337-8581	City		S & S Engineers, Incorporated 1258-A Greenbrier Street Charleston, West Virginia 25311 (304) 342-7168				
13. ISSUING OFFICE (City/State)	14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO.						
Philadelphia, Pennsylvania	R. Fenton Roudabush, Chief Virginia-West Virginia Section (215) 597-9131						
15. EPA CONGRESSIONAL LIAISON & TEL. NO.	16. STATE APPL ID (Clearinghouse)	17. FIELD OF SCIENCE	18. PROJECT STEP (WWT CG Only)				
Patricia Gaskins (202) 382-5184		N/A	II/III				
19. STATUTORY AUTHORITY	20. REGULATORY AUTHORITY	21. STEP 2 + 3 & STEP 3 (WWT Construction Only)					
Clean Water Act, Title II	40 CFR Parts 30 & 35	a. Treatment Level	3				
		b. Project Type	ICT				
		c. Treatment Process	F				
		d. Sludge Design	5				
22. PROJECT TITLE AND DESCRIPTION							
Design and construction of improvements to wastewater treatment plant. The eligible project includes associated costs as defined in 40 CFR 35.2250 up to the amounts shown in Part II of the Assistance Agreement.							
23. PROJECT LOCATION (Area Impacted by Project)							
City/Place	County	State	Congressional District				
Paden City	Wetzel	WV	1st				
24. ASSISTANCE PROGRAM (CFDA Program No. & Title)	25. PROJECT PERIOD	26. BUDGET PERIOD					
66.418	09/85 - 01/89	N/A					
27. COMMUNITY POPULATION (WWT CG Only)	28. TOTAL BUDGET PERIOD COST	29. TOTAL PROJECT PERIOD COST					
3,700	N/A	1,812,700					
FUNDS		FORMER AWARD	THIS ACTION				
30. EPA Amount This Action			1,170,160				
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			1,812,700				
IV FISCAL	Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deoblig. Amount
	GMAW80	85	68X0103.H	W85020	5GMA036006	41.11	\$996,980
	GMCW80	85	68X0103.H	WI8503	5GMC036006	41.11	\$131,240
	GMDW80	85	68X0103.H	WA8504	5GMD036006	41.11	\$ 41,940

TABLE A - OBJECT CLASS CATEGORY
(Non-construction)

TOTAL APPROVED ALLOWABLE BUDGET PERIOD COST

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 (State 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 (State Recipient _____ % Federal _____ %)	
13 TOTAL APPROVED ASSISTANCE AMOUNT	\$ N/A

TABLE C - PROGRAM ELEMENT CLASSIFICATION
(Construction)

Basic Innovative Alternative

	Basic	Innovative	Alternative
1. ADMINISTRATION EXPENSE	55% 2,000	20% 724	20% 231
2. PRELIMINARY EXPENSE			
3. LAND STRUCTURES, RIGHT-OF-WAY			
4. ARCHITECTURAL ENGINEERING BASIC FEES	9,680	3,504	1,120
5. OTHER ARCHITECTURAL ENGINEERING FEES	18,168	6,577	2,102
6. PROJECT INSPECTION FEES	96,152	34,807	11,125
7. LAND DEVELOPMENT			
8. RELOCATION EXPENSES			
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESSES			
10. DEMOLITION AND REMOVAL			
11. CONSTRUCTION AND PROJECT IMPROVEMENT	1,451,637	525,500	168,000
12. XXXXXX Advance of Allowance	30,451	11,023	3,523
13. XXXXXX Design Allowance	59,497	21,538	6,884
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	145,115	52,527	16,715
19 TOTAL (Share Recipient 35.5% Federal 64.5%)	1,812,700	656,200	209,700
20 TOTAL APPROVED ASSISTANCE AMOUNT (Combined)	996,980	\$ 131,240	41,940
	1,170,160		

B. SPECIAL CONDITIONS (Continued)

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.

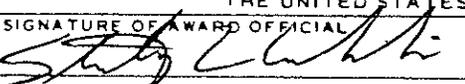
OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers assistance/~~amendment~~ to the Paden City

for 64.5 % of all approved costs incurred up to and not exceeding \$ 1,170,160
RECIPIENT ORGANIZATION
ASSISTANCE AMOUNT
 for the support of approved budget period effort described in application (including all application modifications) C-540250-02 Paden City included herein by reference.

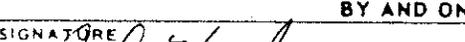
ISSUING OFFICE (Grants Administration Office)	AWARD APPROVAL OFFICE
<small>ORGANIZATION/ADDRESS</small> Environmental Protection Agency Grants Management Section (3PM32) 841 Chestnut Building Philadelphia, Pennsylvania 19107	<small>ORGANIZATION/ADDRESS</small> Environmental Protection Agency Water Management Division (3WMOO) 841 Chestnut Building Philadelphia, Pennsylvania 19107

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL 	TYPED NAME AND TITLE James M. Seif, Regional Administrator	DATE SEP 30 1985
--	---	---------------------

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
--	----------------------	------

PART III-AWARD CONDITIONS

a. GENERAL CONDITIONS

The recipient covenants and agrees that 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, Subpart 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. The grantee is subject to all the requirements of 40 CFR Part 35, Subpart I, Part 30, Part 33 and other pertinent regulations. The grantee is directed to certain following special considerations of those requirements.

"1. Regulations Affecting Federal Grant Payments

- (a) Payments shall not be made for Step III professional services until the grantee complies with the procurement requirements of 40 CFR Part 33, Subpart A.
- (b) The Regional Administrator shall not pay more than 50% of the Federal share unless the grantee has furnished a satisfactory final plan of operation, and shall not pay more than 90% unless the grantee has furnished a satisfactory operation and maintenance manual (40 CFR 35.2206).
- (c) Payments shall be made in accordance with 40 CFR 35.2300.
- (d) 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	Previously paid		
2	11/85	10,452	19,658
3	03/86	30,120	30,110
4	10/86	60,770	60,230
5	11/86	36,000	121,000
6	12/86	49,000	157,000
7	01/87	63,000	206,000
8	02/87	75,000	269,000
9	03/87	90,000	344,000
10	04/87	110,000	434,000
11	05/87	110,000	544,000
12	06/87	110,000	654,000
13	07/87	110,000	764,000
14	08/87	60,000	874,000
15	09/87	60,000	934,000
16	10/87	36,770	994,000
17	11/87	14,390	1,030,770
18	12/87	117,000	1,045,160
19	04/88	2,000	1,162,160
20	07/88	2,000	1,164,160
21	10/88	2,000	1,166,140
22	01/89	2,000	1,168,160
			1,170,160

2. Project Schedule Changes

For any changes in the project which increase the cost, delay or accelerate the project or alter the project in other ways (40 CFR 35.2204), the grantee must receive a formal grant amendment from the Regional Administrator before implementing the changes. Of particular interest is any change in completion of final design drawings and specifications, date of advertisement for bids, the building completion date as referenced in 40 CFR 35.2216, and the initiation of project operation date. The latter date is considered, at the time of this grant, to be 01/88. The grantee further agrees to provide the Regional Administrator, upon request, with a revised schedule for payment.

3. Project Initiation

The grantee agrees to initiate the building of all significant elements of the project within 12 months after authorization to advertise for bids has been given (40 CFR 35.2212). To the extent practicable this initiation should not occur before all sites, easements and rights-of-way are acquired. The grantee shall notify the Regional Administrator immediately upon award of the contracts.

4. Sewer Use Ordinance and User Charge System

The grantee agrees to adopt its sewer use ordinance and implement its user charge system before the treatment works is placed in operation (40 CFR 35.2208).

5. 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)).

6. Project Performance

The grantee agrees to certify to the Regional Administrator on the date one year after the initiation of operation whether or not the project is capable of meeting the project performance standards (40 CFR 35.2218(c)).

7. 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.

8. Flood Insurance

The grantee agrees to acquire and maintain at his own cost any flood insurance made available to it under the National Flood Insurance Act of 1968, as amended. This condition shall not be applicable if, on the date of execution of this Grant Agreement by both parties, flood insurance was not available pursuant to the Flood Insurance Act of 1968, as amended, for property in the project location.

9. Land Acquisition

The grantee shall not make any offer to acquire allowable real property until the Regional Administrator approves the price the grantee will offer the property owner (40 CFR 35.2210).

10. Review

The grantee recognizes that approval of any part of this grant, change orders, grant increase amendments, subagreements, any specific items, or eligibility of any other costs will be subject to final review, including project officer review, audit review, and final determination of the Grant Approving official.

11. Advertisement for Bids

Prior to the advertisement for construction bids, the grantee agrees to submit to the Regional Administrator for approval the following:

- (a) A draft plan of operation (40 CFR 35.2106);
- (b) A user charge system (40 CFR 35.2140); and
- (c) Final design drawings and specifications (40 CFR 35.2040 (b)(5)).

12. MBE/WBE Requirements

The recipient agrees to submit to the Chief, Construction Grants Branch, Attn: EEO Specialist, EPA Region III, a completed EPA Form 6005-1 within 30 days after the date the recipient begins building the project (see 40 CFR 35.2202). This 6005-1 will contain the information on subagreement awards to minority and women's businesses used during the design phase of the project.

The recipient further agrees to submit to the Chief, Construction Grants Branch, Attn: EEO Specialist, EPA-Region III, a completed Form 6005-1 within 15 days after the end of each Federal fiscal quarter during which the recipient or its contractors award any subagreements to a minority or women's business for building and building-related services and supplies.

13. Public Participation

Additional public participation will be required to inform prospective users of the expected costs and rates. The grantee should submit to the DNR project officer, within 2 months, a plan/schedule for conducting the additional public participation..

14. Audit Requirement

The recipient agrees that it will comply with the provisions of OMB Circular A-128 governing the audit of State and local government recipients of federal assistance for fiscal years that begin after December 31, 1984. (This requirement replaces 40 CFR 30.540(b) which is based on OMB Circular A-102, Attachment P.)

15. Sewer System Evaluation Survey Completion

- (a) Submit an approvable Sewer System Evaluation Survey Phase II Report including rehabilitation construction schedule with the initial submission of treatment plant plans and specifications.
- (b) Rehabilitation/replacement program must be completed in accordance with the approved rehabilitation schedule but no later than 90% of construction completion.

16. CAPDET

In accordance with 40 CFR 35.2123, EPA grant assistance is limited to eligible project costs for serving existing needs on the date of approval of the final plans and specifications for a Step 4 grant award. All incremental costs associated with treatment works capacity beyond existing needs are to be paid for by the grantee. Prior to written authorization to advertise for construction bids, eligible/ineligible project costs will be redefined by employing the CAPDET (Computer Assisted Procedures for the Design and Evaluation of Wastewater Treatment Systems) method. The CAPDET ratio of existing needs eligible construction costs/total project construction costs will then be utilized to revise grant participation upon receipt and review of construction bids.

Certified to be a true copy from the records of the City of Paden
City this 17th day of July, 1986.

Bernidene Culp, Recorder



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III

841 Chestnut Building
Philadelphia, Pennsylvania 19107

Honorable John H. Ice
Mayor, City of Paden City
City Hall
Paden City, West Virginia 26159

APR 27 1987

Re: City of Paden City
C-540250-02

Dear Mayor Ice:

You are hereby advised that the bidding procedures for contracts Numbers 1 and 2 of project C-540250-02 have been reviewed and approved. The contracts may now be awarded to the low, responsive bidders, Datkuliak Construction and Compton Construction, as indicated by the proposals you have submitted.

Certain construction activities have been assigned to the West Virginia Department of Natural Resources. You will be contacted by a representative of this Agency in the near future.

The Part B documents that you submitted to the West Virginia Department of Natural Resources have been reviewed by this office. The Environmental Protection Agency (EPA) Form 5780-1B has been approved with some revisions. The official approval letter and the grant amendment are currently being processed and will be forwarded under separate cover.

The total eligible costs in the grant amendment are \$2,167,000 with an EPA grant amount of \$1,430,670.

I trust that this information will be helpful to the City. If you have any questions, please contact Mr. Brian Trulear at (215) 597-8399.

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
Department of Natural Resources
Mr. Walter Williams
Steptoe & Johnson Attorneys at Law

TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

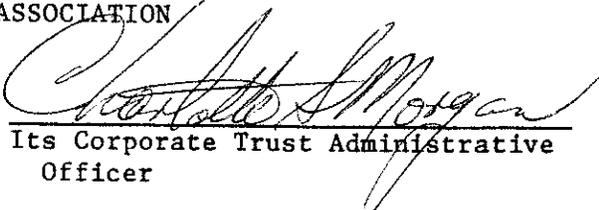
ACCEPTANCE OF DUTIES OF REGISTRAR

KANAWHA VALLEY BANK, NATIONAL ASSOCIATION, a national banking association with its principal office in the City of Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Town of Paden City Sewer Revenue Bonds, Series 1987 A and Series 1987 B, all dated April 28, 1987, in the aggregate principal amount of \$668,000 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.

Dated this 28th day of April, 1987.

KANAWHA VALLEY BANK, NATIONAL
ASSOCIATION

By


Its Corporate Trust Administrative
Officer

04/24/87
PADCI1-Q

TOWN OF PADEN CITY

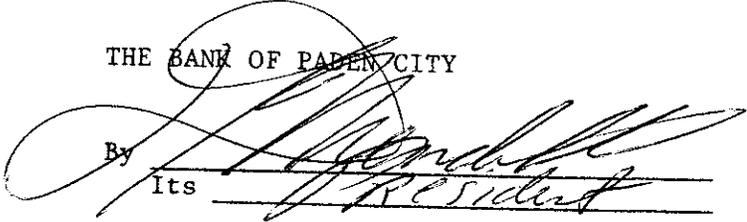
Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

The Bank of Paden City, a state banking corporation, with principal office in Paden City, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the Town of Paden City, enacted March 23, 1987, authorizing issuance of the Town's Sewer Revenue Bonds, Series 1987 A and Series 1987 B, both dated April 28, 1987, in the aggregate principal amount of \$668,000 (collectively, the "Bonds"), and agrees to perform all duties of Depository Bank in connection with such Bonds, all as set forth in said Ordinance.

Dated this 28th day of April, 1987.

THE BANK OF PADEN CITY

By 

Its President

04/01/87
PADCI1-P



TOWN OF PADEN CITY

Sewer Revenue Bonds,
Series 1987 A and Series 1987 B

CERTIFICATE OF REGISTRATION OF BONDS

I, Charlotte S. Morgan, Corporate Trust Administrative Officer of Kanawha Valley Bank, National Association, as Registrar under the Local Act and Registrar's Agreement providing for the \$668,000 aggregate principal amount of Sewer Revenue Bonds, Series 1987 A and Series 1987 B, of the Town of Paden City (the "Issuer"), hereby certify that on the 28th day of April, 1987, the single fully registered Series 1987 A Bond of the Issuer in the principal amount of \$536,426 designated "Sewer Revenue Bond, Series 1987 A," numbered AR-1, and the single fully registered Series 1987 B Bond of the Issuer in the principal amount of \$131,574 designated "Sewer Revenue Bond, Series 1987 B," numbered BR-1, were registered as to principal and interest (the Series 1987 B Bond being registered as to principal only) in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of the Kanawha Valley Bank, National Association, as Registrar.

WITNESS my signature as of this 28th day of April, 1987.

KANAWHA VALLEY BANK, NATIONAL
ASSOCIATION

BY 
Its Corp Trust Admin Officer

04/24/87
PADCI1-S





STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
CHARLESTON 25305

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
WATER POLLUTION CONTROL PERMIT

Permit No. WV0020613

Issue Date: July 12, 1984

Subject: Sewage Facilities

Expiration Date: July 11, 1989

Supersedes: Permit No. 84; NPDES
Permit No. WV0020613 - Effective
Date June 27, 1974

Location:

Paden City
(City)

Wetzel
(County)

Ohio
(Drainage Basin)

Outlet Latitude: 39 ° 36' 27" N
Sites: Longitude: 80 ° 56' 15" W

To whom it may concern:

This is to certify that

City of Paden City
City Hall
Paden City, West Virginia 26159

is hereby granted a NPDES Water Pollution Control Permit to operate and maintain a sewage disposal system or part thereof for the direct discharge of treated wastewater into Ohio River (at River Mile point 133.2).

Facilities are to serve a maximum of 4,000 persons at City of Paden City.

This permit is subject to the following terms and conditions:

Department of Health Certificate of Approval No. 1392

The information submitted on and with Permit Application No. WV0020613 dated the 25th day of July 1983, is all hereby made terms and conditions of this Permit with like effect as if all such permit application information was set forth herein, and with other conditions set forth in Sections A, B, C, D, E, F, and G.

Such discharges shall be limited and monitored by the permittee as specified below: 001-Discharge from sewage treatment facilities

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>		<u>Other Units (Specify)</u>		<u>Monitoring Requirements</u>	
	<u>Avg. Monthly</u>	<u>(Quantity) lbs/day</u> <u>Max. Daily</u>	<u>Avg. Monthly</u>	<u>Max. Daily</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow						
Biochemical Oxygen Demand (5-Day)	500	1000	0.60 MGD		Continuous	Measured
Total Suspended Solids	500	1000	100 mg/l	200 mg/l	1/Month	8 hr. composite
Total Kjeldahl Nitrogen (TKN)	Report Only		100 mg/l	200 mg/l	1/Month	8 hr. composite
Fecal Coliform			Monitor Only		1/Month	8 hr. composite
			$\frac{\text{counts}}{200 \text{ 100 ml}}$	$\frac{\text{counts}}{400 \text{ 100 ml}}$	1/Month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored 1/Month by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD₅ samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning July 12, 1984 and lasting through midnight, July 11, 1989 the permittee is authorized to discharge from outlet number(s) 001-Discharge from Sewage Treatment Facilities.

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>		<u>Other Units (Specify)</u>		<u>Monitoring Requirements</u>	
	<u>Avg. Monthly</u>	<u>(Quantity) lbs/day</u> <u>Max. Daily</u>	<u>Avg. Monthly</u>	<u>Max. Daily</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow			0.6 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	150	300	30 mg/l	60 mg/l	1/Month	8 hr. composite
Total Suspended Solids	150	300	30 mg/l	60 mg/l	1/Month	8 hr. composite
Total Kjeldahl Nitrogen (TKN)	90	180	18 mg/l	36 mg/l	1/Month	8 hr. composite
Fecal Coliform			$\frac{\text{counts}}{200 \text{ } 100 \text{ ml}}$	$\frac{\text{counts}}{400 \text{ } 100 \text{ ml}}$	1/Month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored 1/Month by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD₅ samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Chapter 1, Section 3 of the West Virginia Administrative Regulations issued pursuant to Chapter 20, Article 5A.

B. SCHEDULE OF COMPLIANCE

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

Effective date of permit.

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

N/A

C. MANAGEMENT CONDITIONS

1. Duty to Comply

- a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.
- b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

The permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this permit.

4. Permit Actions

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance or revocation or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

5. Property Rights

This permit does not convey any property rights of any sort, or any exclusive privilege.

6. Signatory Requirements

All applications, reports, or information submitted to the Chief shall be signed and certified as required in Chapter, 2, Section 4.06. of the West Virginia Administrative Regulations.

7. Transfers

This permit is not transferable to any person except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Chief, within a specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Chief, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- a) Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
- b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
- c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
- d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any location.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its terms in accordance with the provisions of Chapter 20-5A-8 of the Code of West Virginia.

An application for a modification of this permit must be submitted to this agency at least ninety (90) days prior to the proposed modification.

12. Water Quality

The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the State Water Resources Board. Further, any activities covered under this permit shall not lead to pollution of the groundwaters of the State as a result of the handling, disposal or discharge of such wastes covered herein.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Chapter 3, Section 8 of the WV Administrative Regulations promulgated pursuant to Chapter 20, Article 5A.

14. Liabilities

- a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318 or 405 of the Clean Water Act is subject to a civil penalty not to exceed \$10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than \$2,500 nor more than \$25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
- b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
- c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
- d) Nothing in C. 14. a), b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 20, Article 5A.

D. OPERATION AND MAINTENANCE

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by State Health Department Regulations authorized under Chapter 16, Article 1, Public Health Laws, Code of West Virginia, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Chief may require a more highly skilled operator.

2. Duty to Halt or Reduce Activity

Upon reduction, loss or failure of the treatment facility the permittee shall, to the extent necessary to maintain compliance with its permit, control production or all discharges or both until the facility is restored or an alternative method of treatment is provided. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

3. Bypass

a) Definitions

(1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility; and

(2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of D.3. c) and D.3. d) of this permit.

c) Notice

- (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
- (2) If the permittee does not know in advance of the need for a bypass, notice shall be submitted as required in F.2. b) of this permit.

d) Prohibition of bypass

- (1) Bypass is permitted only under the following conditions, and the Chief may take enforcement action against a permittee for bypass, unless:
 - (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
 - (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if the permittee could have installed adequate backup equipment to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
 - (C) The permittee submitted notices as required under D.3. c) of this permit.
- (2) The Chief may approve an anticipated bypass, after considering its adverse effects, if the Chief determines that it will meet the three conditions listed in D.3. d) (1) of this permit.

4. Upset

- a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include non-compliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.
- b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the requirements of D.4. c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.
- c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:

- (1) An upset occurred and that the permittee can identify the specific cause(s) of the upset;
 - (2) The permitted facility was at the time being properly operated;
 - (3) The permittee submitted notice of the upset as required in F.2. b) of this permit.
 - (4) The permittee complied with any remedial measures required under C.3. of this permit.
- d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit issued by the Division of Water Resources, any solids, sludges, filter backwash or other pollutants removed in the course of treatment or control of wastewater and which are intended for disposal within the State, shall be disposed of only in a manner and at a site subject to the approval by the Division of Water Resources. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Division of Water Resources in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, the intended place of disposal or use, as appropriate, and shall take reasonable measures to insure that the use does not cause pollution of the waters of the State.

E. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

- a) Permittee shall submit each _____ month _____, according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s).
- b) The required _____ monthly _____ reports should be received no later than 20 days following the end of the reporting period and be addressed to:

Chief
Division of Water Resources
1201 Greenbrier Street
Charleston, WV 25311
Attention: Municipal Waste Section

- c) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.
- d) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E." (i.e., number exceeding).
- e) Specify frequency of analysis for each parameter as no. analyses/specified period (e.g. "3/month is equivalent to 3 analyses performed every calendar month). If continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

- a) The date, exact place, and time of sampling or measurement;
- b) The date(s) analyses were performed;
- c) The individual(s) who performed the sampling or measurement;

- d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
- e) The analytical techniques or methods used, and
- f) The results of such analyses.

This information is not to be submitted to this agency, but is to be retained as required in E.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated.

Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three (3) years from the date of the sample, measurement, report or application. This period may be extended by request of the Chief at any time.

7. Definitions

- a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.
- b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.
- c) "Maximum daily discharge limitation" means the highest allowable daily discharge.

- d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval (for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.
- e) "Grab Sample" is an individual sample collected in less than 15 minutes.
- f) "i-s" = immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.
- g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.
- h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two (2) consecutive hours during a 24-hour day, or during the operating day if flows are of shorter duration.
- i) The "daily average fecal coliform" bacteria is the geometric average of all samples collected during the month.
- j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.
- k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.
- l) "Non-contact cooling water" means the water that is contained in a leak-free system, i.e. no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels.

F. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to Chapter 3, Section 1 of the WV Administrative Regulations promulgated pursuant to Chapter 20, Article 5A.

Attached is a copy of the West Virginia Spill Alert System for use in complying with Chapter 3, Section 1 of the regulations as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

- a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Division's designated spill alert telephone number. A written submission shall be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.
- b) The following shall also be reported immediately:
 - (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
 - (2) Any upset which exceeds any effluent limitation in the permit; and
 - (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous waste.
- c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.
- d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Chapter 3, Section 1 of the Board's regulations.

3. Reporting Requirements

- a) Planned changes. The permittee shall give notice to the Chief as soon as possible of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge and of any planned changes in the method of operating the facility which may affect the nature or quantity of the discharge.

- b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
 - c) In addition to the above reporting requirements, all existing manufacturing, commercial, mining, and silvicultural dischargers must notify the Chief in writing as soon as they know or have reason to believe:
 - (1) That any activity has occurred or will occur which would result in the discharge of any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
 - (A) One hundred micrograms per liter (100ug/1);
 - (B) Two hundred micrograms per liter (200 ug/1) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/1) for 2, 4-dinitrophenol and for 2-methyl-4, 6-dinitrophenol; and one milligram per liter (1mg/1) for antimony;
 - (C) Five (5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.04 (b) (7) or 4.04 (b) (9) of Chapter 2 of the State Water Resources Board's NPDES regulations; and
 - (D) The level established by the Chief in accordance with Section 6 (b) (7) of Chapter 2 of the State Water Resources Board's NPDES regulations;
 - (2) That they have begun or expect to begin to use or manufacture as an intermediate or final product or byproduct any toxic pollutant which was not reported in the permit application under Section 4.04 (b) (9) of Chapter 2 of the State Water Resources Board's NPDES regulations;
4. Other Noncompliance

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

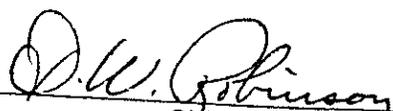
G. OTHER REQUIREMENTS

- 1) The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.
- 2) The entire sewage treatment facility shall be adequately protected by fencing.
- 3) Continuous maintenance and operation of the listed sewage treatment facility shall be performed by or supervised by a certified operator possessing at least a class II certificate for Waste Water Treatment Plant Operators, issued by the State of West Virginia.
- 4) An instantaneous flow from the sewage disposal system shall not exceed the peak design flow at any given time.
- 5) The arithmetic mean of values for effluent samples collected in a period of seven (7) consecutive days shall not exceed 45 mg/l for BOD₅ and TSS and 27 mg/l for TKN.
- 6) The arithmetic means of the effluent values of the BOD₅ and TSS discharged during a period of 30 consecutive days shall not exceed 15 percent of respective arithmetic means of the influent values for these parameters during the same time period except as specifically authorized by the permitting authority.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. WV0020613, dated the 25th day of July, 19 83, submitted with Application for Reissuance No. N/A dated the _____ day of _____, 19 _____; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the State Water Resources Board.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0020613, dated the 25th day of July, 19 83, with the information submitted with Application for Reissuance No. N/A, dated the _____ day of _____, 19 _____, and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Article 5A, Chapter 20 of the Code of West Virginia.

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

By: 
Chief

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

FACILITY NAME City of Paden City WASTELOAD FOR MONTH OF _____ 19
 LOCATION OF FACILITY Paden City, Wetzel County
 PERMIT NUMBER WV0020613 OUTLET NUMBER 001-Discharge from sewage treatment facility

Parameter	Quantity			Other Units			Measurement Frequency	Sample Type					
	Minimum	Avg. Monthly	Max. Daily	Units	N.E.	Minimum			Avg. Monthly	Max. Daily	Units	N.E.	
Flow, in Conduit or thru trmt. plant 50050	Reported	*****	*****	****									
	Order Limitation	*****	*****	*****									
BOD, 5-Day (20 Deg. C) 00310	Reported												Continuous Measure
	Order Limitation	N/A	500	1000	lbs/day		N/A	100	200	mg/l		1/Month	8 hour Composite
Solids, Total Suspended 00530	Reported												
	Order Limitation	N/A	500	1000	lbs/day		N/A	100	200	mg/l		1/Month	8 hour Composite
Nitrogen, Total Kjeldahl (as N) 00625	Reported												
	Order Limitation	N/A	Report	Only	lbs/day		N/A	Monitor	Only	mg/l		1/Month	8 hour Composite
Coliform, Fecal General 04055	Reported	*****	*****	*****									
	Order Limitation	*****	*****	*****	*****		6.0	N/A	9.0	Std. Units		1/Month	Grab
	Reported	MF	--	MPN									
	Order Limitation	Circle	Method	Used			N/A	200	400	counts/100 ml		1/Month	Grab
	Reported												

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of...

Name of Principal Exec. Officer _____
 Title of Officer _____

Date Completed _____
 Signature of Principal Exec. Officer or Authorized Agent _____

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME City of Padon City WASTELOAD FOR MONTH OF _____ 19____
 LOCATION OF FACILITY Padon City, Metzler County OUTLET NUMBER 001-Discharge from sewage treatment facilities
 PERMIT NUMBER WV0020613

Parameter	Quantity				Other Units				Measurement Frequency	Sample Type	
	Minimum	Avg. Monthly	Max. Daily	Units	N.E.	Minimum	Avg. Monthly	Max. Daily			Units
Flow, in Conduit or thru trmt. plant 50050	Reported	*****	*****	*****							
	Permit Limitation	*****	*****	*****	****						
BOD, 5-Day (20 Deg. C) 00310	Reported										Continuous Measur
	Permit Limitation				****	N/A	0.6	N/A	MGD		
Solids, Total Suspended 00530	Reported	N/A	150	300	lbs/day		30	60	mg/l		8 hour Composite
	Permit Limitation	N/A	150	300	lbs/day		30	60	mg/l		8 hour Composite
Nitrogen, Total Kjeldahl (as N) 00625	Reported										
	Permit Limitation	N/A	90	180	lbs/day		18	36	mg/l		8 hour Composite
pH 00400	Reported	*****	*****	*****	****						
	Permit Limitation	*****	*****	*****	****	6.0	N/A	9.0	Std. Units		1/1 Month Grab
Coliform, Fecal General 74055	Reported	MF	- - -	MPN							
	Permit Limitation	Circle	Method	Used		N/A	200	400	counts/100 ml		1/1 Month Grab
Reported											
Permit Limitation											

I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Name of Principal Exec. Officer _____
 Title of Officer _____

Signature of Principal Exec. Officer or Authorized Agent _____

Date Completed _____

**EMERGENCY RESPONSE SPILL ALERT SYSTEM
WEST VIRGINIA DIVISION OF WATER RESOURCES**

REQUIREMENTS:

West Virginia Administrative Regulations Series 2, Chapter 3, Section 1, State Water Resources Board, effective date July 26, 1981.

RESPONSIBILITY FOR REPORTING:

Each and every person who may cause or be responsible for any spill or accidental discharge of pollutants into the waters of the State shall give immediate notification to the designated spill telephone number of the Department of Natural Resources, Division of Water Resources. Such notification shall set forth the time and place of such spill or discharge, type or types and quantity or quantities of the material or materials therein, action or actions taken to stop such spill or discharge and to minimize the polluting effect thereof, the measure or measures taken or to be taken in order to prevent a recurrence of any such spill or discharge and such additional information as may be requested by the Division of Water Resources. A written verification of such notification shall be submitted upon request of the Division of Water Resources. This also applies to spills to the waters of the State resulting from accidents to common carriers by highway, rail and water.

It shall be the responsibility of each industrial establishment or other entity discharging directly to a stream to have available the following information pertaining to those substances that are employed or handled in its operation in sufficiently large amounts as to constitute a hazard in case of an accidental spill or discharge into a public stream:

- 1) Potential toxicity in water to man, animals and aquatic life;
- 2) Details on analytical procedures for the quantitative estimation of such substances in water; and
- 3) Suggestions on safeguards or other precautionary measures to nullify the toxic effects of a substance once it has gotten into a stream.

Failure to furnish such information as required by Section 9, Article 5A, Chapter 20, Code of West Virginia shall be punishable under Section 19, Article 5A, Chapter 20, Code of West Virginia.

It shall be the responsibility of any person who causes or contributes in any way to the spill or accidental discharge of any pollutant or pollutants into State waters to immediately take any and all measures necessary to contain such spill or discharge. It shall further be the responsibility of such person to take any and all measures to clean-up, remove, and otherwise render such spill or discharge harmless to the waters of the State.

When the Chief determines it necessary for the effective containment and abatement of spills and accidental discharges, the Chief may require the person or persons responsible for such spill or discharge to monitor affected waters in a manner prescribed by the Chief until the possibility of any adverse effect on the waters of the State no longer exists.

VOLUNTARY REPORTING BY LAW OFFICERS, U.S. COAST GUARD, LOCK MASTERS AND OTHERS:

In cases involving river and highway accidents where the responsible party may or may not be available to report the incident, law officers, U.S. Coast Guard, Lock Masters and other interested persons should make the report.

WHO TO CONTACT:

Notify Division Headquarters in Charleston, West Virginia at the following number: **1-800-642-3074**.
(This is a toll-free, 24-hour emergency response number.)

INFORMATION NEEDED:

- | | |
|---|--|
| <ul style="list-style-type: none">- Source of spill or discharge- Location of incident- Time of incident- Name of material spilled or discharged- Amount of material spilled or discharged- Toxicity of material spilled or discharged | <ul style="list-style-type: none">- Personnel at the scene- Actions initiated- Shipper / Manufacturer identification- Railcar / Truck identification numbers- Container type |
|---|--|



C O P Y

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
CHARLESTON 25305

DIVISION OF WATER RESOURCES
MUNICIPAL WASTE SECTION
1201 Greenbrier Street
Charleston, WV 25311
(304) 348-4086

RONALD R. POTESTA
Director

ROBERT K. PARSONS
Deputy Director

ARCH A. MOORE, JR.
Governor

April 6, 1987

Honorable John H. Ice
Mayor, City of Paden City
Post Office Box 211
Paden City, West Virginia 26159

CERTIFIED RETURN RECEIPT REQUESTED

Re: WV/NPDES Water Pollution Control Permit No.
WV0020613 -Letter of Addendum

Dear Mayor Ice:

This letter serves as Modification No. 2 of your existing WV/NPDES Water Pollution Control Permit No. WV0020613 dated the 12th day of July 1984.

After review of Permit Modification Application No. WV0020613-A dated the 2nd day of September 1986 and the information accompanying the application, the above referenced permit is hereby modified to incorporate the upgrading of the existing primary treatment plant to a 0.6 MGD secondary treatment facility as follows:

1. To install, construct, operate, and maintain two(2) grit chamber, one(1) additional comminutor, one(1) 486,200 gallon draft tube channel type oxidation ditch with an integral 88,350 gallon clarifier, one(1) 28,500 gallon sludge holding tank, 1,930 linear feet of 6 inch gravity sewer line, 1,300 linear feet of 4 inch gravity sewer line, 12 cleanouts, 11 manholes, and all necessary appurtenances.
2. To replace the existing flow meter with an ultrasonic signal type flow meter capable of measuring flows up to 1.5 MGD.
3. To modify the existing chlorine contact chamber to provide a capacity of 14,600 gallon and install a new chlorinator.
4. To modify the existing lift station to provide three(3) constant speed pumps rated at 500 gpm at 40 foot TDH.
5. To convert four(4) of the existing sludge drying beds to the Wedgewater Media type.
6. To operate and maintain the existing barscreen, comminutor, and the two(2) remaining sand media type sludge drying beds.

Honorable John H. Ice
Page 2
April 6, 1987

The sewage treatment facilities are to be constructed or modified in accordance with:

Plans and Specifications:

Date Received: August 1, 1986

Prepared By: S & S Engineers, Inc., Charleston, West Virginia.

Title: City of Paden City, Wetzel County, West Virginia, Water Pollution Control Facility Improvements, EPA Project No. C-540250-2, Contract No. 1 - Lines, Contract No. 2 - Treatment Plant, dated July 1986.

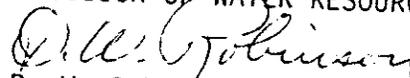
Roof drains and other sources of inflow are to be eliminated from the collection system.

The new sewage collection system extension is to serve 12 homes in the Paden Park Area of the City fo Paden City.

All other terms and conditions of this permit remain in effect and unchanged.

Sincerely,

DIVISION OF WATER RESOURCES



D. W. Robinson
Chief

DWR:ORC:mla

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 28th day of April, 1987, by and between the TOWN OF PADEN CITY, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and KANAWHA VALLEY BANK, NATIONAL ASSOCIATION, a national banking association (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$668,000 aggregate principal amount of Sewer Revenue Bonds, Series 1987 A and Series 1987 B, in fully registered form (collectively, the "Bonds"), pursuant to a Bond Ordinance enacted March 23, 1987, and a Supplemental Resolution adopted March 23, 1987 (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 Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer 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 Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Local Act, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or

by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

5. 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.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Local Act will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: Town of Paden City
Post Office Box 211
208 West Main Street
Paden City, West Virginia 26159
Attention: Mayor

REGISTRAR: Kanawha Valley Bank, National Association
One Valley Square
Post Office Box 1793
Charleston, West Virginia 25326
Attention: Corporate Trust Department

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

IN WITNESS WHEREOF, the TOWN OF PADEN CITY and KANAWHA VALLEY BANK, National Association have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

TOWN OF PADEN CITY

By John H. Lee
Mayor

KANAWHA VALLEY BANK, NATIONAL
ASSOCIATION

By Charlotte S. Meyer
Its Corporate Trust Administrative
Officer

04/24/87
PADCI1-T

EXHIBIT A

[Included in transcript as Document No. 1]

INVOICE



**ONE FINANCIAL PLACE
Kanawha Valley Bank, N.A.**

OFFICE OF THE MAYOR
PADEN CITY
PADEN CITY, WEST VIRGINIA

APRIL 28, 1987

DATE: _____

UNITS	ITEM DESCRIPTION	TOTAL
	<p>\$536,426 SERIES A & \$131,574 SERIES B PADEN CITY, WV SEWER REVENUE BONDS 1987 SERIES</p> <p>SERVICES AS AUTHENTICATING AGENT AND REGISTRAR ONE TIME FEE.....</p>	<p>\$500.00</p>

SEND REMITTANCE TO: KANAWHA VALLEY BANK, N.A. ATT; CHARLOTTE S
CORPORATE TRUST DEPARTMENT MORGAN
P.O. BOX 1793
CHARLESTON, W.VA. 25326-1793



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ASSIGNMENT SEPARATE FROM BOND

FOR VALUE RECEIVED, the West Virginia Water Development Authority hereby sells, assigns and transfers unto Kanawha Valley Bank, National Association, Charleston, West Virginia, the Sewer Revenue Bond, Series 1987 A, of the Town of Paden City in the principal amount of \$536,426, numbered AR-1, standing in the name of West Virginia Water Development Authority on the books of said Issuer.

Dated: April 28, 1987.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY


Authorized Representative

04/24/87
PADCI1-U