PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Closing Date: June 11, 2010

TRANSCRIPT OF PROCEEDINGS

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State of West Virginia

WATER DEVELOPMENT AUTHORITY

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

PRECLOSING ATTENDANCE LIST

Date 6/10/2010 Time 3:00 PM LGA Pleasants County Development Authority Program IC / WDA

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Carol A. Cummings	WV Water Dev Auth.	304-558-3612	304-558-0299	ccummings@wvwda.org
Ryan White	Jackson Kelly	304 340-1283	304 340-1272	srwhite@jacksonkelly.com
MARK E KAUFFELT	WDA/Kauffelt & Kauffelt	304-345-1272	304-345-1280	MKAUFFELT@WVDSL.NET
Sammie Lee	Jackson Kelly PLLC	304. 340. 1318	304. 340 1272	slee@jacksonkelly.com
Nathan McBrayer	WDA	304-558-3612	304-558-0299	nathanmcbrayer@wvwda.org

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

Name Jim McGoldrick Telephone 304 684-1220 E-Mail pcda@FrontierNet.net

Address P.O. Box 339 St. Marys, WV 26170

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

PLEASANTS COUNTY DEVELOPMENT AUTHORITY
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RECORDATION SHEET

Document	Recorded With	Date	Book & Page
Credit Line Deed Of Trust, Security Agreement and Fixture Filing dated June 11, 2010	Clerk of the County Commission of Pleasants County	June 11, 2010	Book 142 Page 536
Agreement and Lease dated June 11, 2010	Clerk of the County Commission of Pleasants County	June 11, 2010	Book 279 Page 360
Deed – Pleasants Ridge Booster Station (Barnart Tract)	Clerk of the County Commission of Pleasants County	June 10, 2010	Book 279 Page 336
Deed – Pleasants Ridge Booster Station (Martin Tract)	Clerk of the County Commission of Pleasants County	June 10, 2010	Book 279 Page 325
Deed – Pleasants Ridge Tank Site (Pethtel Tract)	Clerk of the County Commission of Pleasants County	June 10, 2010	Book 279 Page 330
Deed – Pleasants Ridge Tank Site (Vannoy Tract)	Clerk of the County Commission of Pleasants County	June 10, 2010	Book 279 Page 319
Assignment of Rights-of-Way	Clerk of the County Commission of Pleasants County	June 10, 2010	Book 279 Page 340

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 7, ARTICLE 12 OF THE WEST VIRGINIA CODE, AND CHAPTER 7, ARTICLE 12 OF THE 2009 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
June 8, 2010

Natalie E. Tennant

Secretary of State

ARTICLE 12

COUNTY AND MUNICIPAL DEVELOPMENT AUTHORITIES

Section

7-12-1. Establishment authorized; name; exceptions.
7-12-2. Purposes.
7-12-3. Management and control of county authority vested in board; appointment and terms of members; vacancies; removal of members.
7-12-3a. Management and control of municipal authority vested in board; appointment and terms of members; vacancies; removal of members.
7-12-4. Qualifications of members.
7-12-5. Compensation of members; expenses; recusal of member from voting where conflict of interest involved.
7-12-6. Authority to be a public corporation.
7-12-7. Powers generally.
7-12-7a. Findings respecting necessity for exercise of right of eminent domain; authorization to exercise right of eminent domain.
7-12-8. Incurring indebtedness; rights of creditors.
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7-12-9a. Joint undertakings by county development authorities.
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7-12-14. Employees to be covered by workers' compensation.
7-12-15. Liberal construction of article.
7-12-16. Provisions severable.

§ 7-12-1. Establishment authorized; name; exceptions

Except as hereinafter provided, the governing body of every municipality and the county commission of every county is hereby authorized to create and establish a public agency to be known as a development authority. The name of the authority shall contain the words "development authority," together with the designation of the municipality or the county within which such authority is intended to operate. Nothing in this article contained, however, shall be construed as permitting the governing body of any municipality or county commission of any county in which there exists, on the date on which this article becomes effective, one or more public development authorities, corporations or commissions, organized and existing pursuant to an act or acts of the Legislature, either local or general, and performing substantially the same or similar functions as the development authorities herein authorized, to create and establish such a development authority until such time as all such other public development authorities, corporations and commissions cease operations in such municipality or county: Provided, That nothing herein shall be construed to prohibit the creation and establishment of a municipal development authority when a county or regional development authority exists, and any municipal development authority shall have the exclusive right to exercise

its powers granted pursuant to this article within the boundaries of the municipality.

Acts 1963, c. 29; Acts 1986, c. 58.

Cross References

County commissions, authority to lease, sell or dispose of county, see § 7-1-3hh.

Library References

Key Numbers
Counties ⚷22.
Municipal Corporations ⚷284(1).
Westlaw Key Number Searches: 104k22; 268k284(1).

Encyclopedias
C.J.S. Counties §§ 41 to 42.
C.J.S. Municipal Corporations § 967.

§ 7-12-2. Purposes

The purposes for which the authority is created are to promote, develop and advance the business prosperity and economic welfare of the municipality or county for which it is created, its citizens and its industrial complex; to encourage and assist through loans, investments or other business transactions in the locating of new business and industry within the municipality or county and to rehabilitate and assist existing businesses and industries therein; to stimulate and promote the expansion of all kinds of business and industrial activity which will tend to advance business and industrial development and maintain the economic stability of the municipality or county, provide maximum opportunities for employment, encourage thrift, and improve the standard of living of the citizens of the county; to cooperate and act in conjunction with other organizations, federal, state or local, in the promotion and advancement of industrial, commercial, agricultural, and recreational developments within the municipality or county; and to furnish money and credit, land and industrial sites, technical assistance and such other aid as may be deemed requisite to approved and deserving applicants for the promotion, development and conduct of all kinds of business activity within the municipality or county.

Acts 1963, c. 29; Acts 1986, c. 58.

Library References

Key Numbers
Counties ⚷22.
Municipal Corporations ⚷284(1).
Westlaw Key Number Searches: 104k22; 268k284(1).

Encyclopedias
C.J.S. Counties §§ 41 to 42.
C.J.S. Municipal Corporations § 967.

§ 7-12-3. Management and control of county authority vested in board; appointment and terms of members; vacancies; removal of members

The management and control of a county authority, its property, operations, business and affairs shall be lodged in a board of not fewer than twelve nor more than twenty-one persons who shall be appointed by the county commission and be known as members of the authority. The county commission shall

appoint one member to represent the county commission on the board and, for each municipality located within the county, the county commission shall appoint one member to represent the municipality. The city and town council of each municipality located within the county shall submit to the county commission the names of three persons, one of whom the county commission shall appoint to be the municipality's representative on the board. Other members of the board shall be appointed by the county commission and shall include representatives of business, industry and labor . The members of the authority first appointed shall serve respectively for terms of one year, two years and three years, divided equally or as nearly equal as possible between these terms. Thereafter, members shall be appointed for terms of three years each. A member may be reappointed for such additional term or terms as the county commission may deem proper. If a member resigns, is removed or for any other reason his membership terminates during his term of office, a successor shall be appointed by the county commission to fill out the remainder of his term. Members in office at the expiration of their respective terms shall continue to serve until their successors have been appointed and have qualified. The county commission may at any time remove any member of the board by an order duly entered of record and may appoint a successor member for any member so removed.

Other persons, firms, unincorporated associations, and corporations, who reside, maintain offices, or have economic interests, as the case may be, in the county, shall be eligible to participate in and request the county commission to appoint members to the development authority as the said authority shall by its bylaws provide.

Acts 1969, c. 29; Acts 1986, c. 58; Acts 2000, c. 71, eff. 90 days after March 11, 2000.

Library References

Key Numbers
Counties ⚷22.
Westlaw Key Number Search: 104k22.

Encyclopedias
C.J.S. Counties §§ 41 to 42.

§ 7-12-3a. Management and control of municipal authority vested in board; appointment and terms of members; vacancies; removal of members

The management and control of a municipal authority, its property, operations, business and affairs shall be lodged in a board of not fewer than twelve nor more than twenty-one persons who shall be appointed by the governing body and be known as members of the authority. One member of the authority shall also be a member of the governing body appointed to represent it on the board. Other members shall be appointed by the governing body and shall include representatives of business, industry and labor. The members of the authority first appointed shall serve respectively for terms of one year, two years and three years, divided equally or as nearly equal as possible between these terms. Thereafter, members shall be appointed for terms of three years each. A member may be reappointed for such additional term or terms as the appointing agency may deem proper. If a member resigns, is removed or for

any other reason his membership terminates during his term of office, a successor shall be appointed by the appointing agency to fill out the remainder of his term. Members in office at the expiration of their respective terms shall continue to serve until their successors have been appointed and have qualified. The appointing agency may at any time remove its appointed member of the authority by an order duly entered of record or by other action appropriate for such appointing agency and may appoint a successor member for any member so removed.

In addition to the appointing agencies hereinbefore named, such other persons, firms, unincorporated associations, and corporations, who reside, maintain offices, or have economic interests, as the case may be, in the municipality, are eligible to participate in and request the governing body to appoint members to the development authority as the said authority by its bylaws provides.

Acts 1986, c. 58.

Library References

Key Numbers
Municipal Corporations ⚷284(1).
Westlaw Key Number Search: 268k284(1).

Encyclopedias
C.J.S. Municipal Corporations § 967.

§ 7-12-4. Qualifications of members

(a) In addition to the appointing agencies as provided for in section three of this article, such other persons, firms, unincorporated associations and corporations, which reside or maintain offices in the county of the development authority, are eligible to participate in and request the governing body to appoint members to the development authority as the said authority by its bylaws provides. Members can also be drawn from citizens of a county contiguous to the county in which the county development authority is located regardless of their state of residence.

(b) Any person employed by, owning an interest in, or otherwise associated with a public utility company as defined in section two, article one, chapter twenty-four of this code or bank as defined in section two, article one, chapter thirty-one-a of this code may serve as a board member and shall not be disqualified from serving as a board member because of conflict of interest as defined in section fifteen, article ten, chapter sixty-one of this code and shall not be subject to prosecution under the provisions of said section when the violation is created solely as a result of his or her relationship with the bank or public utility. This member must recuse himself or herself from board participation regarding the conflicting issue as provided for in section five of this article.

Acts 1963, c. 29; Acts 1986, c. 58; Acts 1995, c. 111, eff. 90 days after Feb. 20, 1995.

Library References

Key Numbers
Counties ⚷22.
Municipal Corporations ⚷284(1).

Westlaw Key Number Searches: 104k22; 268k284(1).

C.J.S. Municipal Corporations § 967.

Encyclopedias

C.J.S. Counties §§ 41 to 42.

§ 7-12-5. Compensation of members; expenses; recusal of member from voting where conflict of interest involved

(a) No member of the authority shall receive any compensation, whether in formal salary, per diem allowance or otherwise, in connection with his or her services as such member. Each member shall, however, be entitled to reimbursement by the authority for any necessary expenditures in connection with the performance of his or her general duties as such member.

(b) Whenever a person associated with a public utility or bank as set out in section four of this article has a conflict of interest between the board and that public utility or bank, then he or she must recuse himself or herself from any vote, discussion or other activity associated with the board or its members that creates the conflict of interest.

Acts 1963, c. 29; Acts 1988, c. 29; Acts 1995, c. 111, eff. 90 days after Feb. 20, 1995.

§ 7-12-6. Authority to be a public corporation

The authority and the members thereof shall constitute and be a public corporation under the name provided for in section one, and as such shall have perpetual succession, may contract and be contracted with, sue and be sued, plead and be pleaded, and have and use a common seal.

Acts 1963, c. 29.

Library References

Key Numbers

Counties ⚷22.
Municipal Corporations ⚷284(1).
Westlaw Key Number Searches: 104k22; 268k284(1).

Encyclopedias

C.J.S. Counties §§ 41 to 42.
C.J.S. Municipal Corporations § 967.

§ 7-12-7. Powers generally

The development authority is hereby given power and authority as follows: (1) To make and adopt all necessary bylaws and rules for its organization and operations not inconsistent with laws; (2) to elect its own officers, to appoint committees and to employ and fix compensation for personnel necessary for its operation; (3) to enter into contracts with any person, agency, governmental department, firm or corporation, including both public and private corporations, and generally to do any and all things necessary or convenient for the purpose of promoting, developing and advancing the business prosperity and economic welfare of the county in which it is intended to operate, its citizens and industrial complex, including, without limiting any of the foregoing, the construction of any building or structure for lease to the federal government or any of its agencies or departments, and in connection therewith to prepare and submit bids and negotiate with the federal government or such agencies or

departments in accordance with plans and specifications and in the manner and on the terms and conditions and subject to any requirements, regulations, rules and laws of the United States of America for the construction of said buildings or structures and the leasing thereof to the federal government or such agencies or departments; (4) to amend or supplement any contracts or leases or to enter into new, additional or further contracts or leases upon such terms and conditions, for such consideration and for such term of duration, with or without option of renewal, as may be agreed upon by the authority and such person, agency, governmental department, firm or corporation; (5) unless otherwise provided for in, and subject to the provisions of, such contracts, or leases, to operate, repair, manage, and maintain such buildings and structures and provide adequate insurance of all types, and in connection with the primary use thereof and incidental thereto to provide such services, such as barber shops, newsstands, drugstores and restaurants, and to effectuate such incidental purposes, grant leases, permits, concessions or other authorizations to any person or persons, upon such terms and conditions, for such consideration and for such term of duration as may be agreed upon by the authority and such person, agency, governmental department, firm or corporation; (6) to delegate any authority given to it by law to any of its officers, committees, agents or employees; (7) to apply for, receive and use grants-in-aid, donations and contributions from any source or sources, and to accept and use bequests, devises, gifts and donations from any person, firm or corporation; (8) to acquire real property by gift, purchase, or construction, or in any other lawful manner, and hold title thereto in its own name and to sell, lease or otherwise dispose of all or part of such real property which it may own, either by contract or at public auction, upon the approval by the board of directors of the development authority; (9) to purchase or otherwise acquire, own, hold, sell, lease and dispose of all or part of any personal property which it may own, either by contract or at public auction; (10) pursuant to a determination by the board that there exists a continuing need for programs to alleviate and prevent unemployment within the county in which the authority is intended to operate or aid in the rehabilitation of areas in said county which are underdeveloped, decaying or otherwise economically depressed, and that moneys or funds of the authority are necessary therefor, to borrow money and execute and deliver the authority's negotiable notes, mortgage bonds, other bonds, debentures, and other evidences of indebtedness therefor, on such terms as the authority shall determine, and give such security therefor as shall be requisite, including giving a mortgage or deed of trust on its real or personal property and facilities in connection with the issuance of mortgage bonds; (11) to raise funds by the issuance and sale of revenue bonds in the manner provided by the applicable provisions of article sixteen, chapter eight of this code, it being hereby expressly provided that a development authority created under this article is a "governing body" within the definition of that term as used in said article sixteen, chapter eight of this code; and (12) to expend its funds in the execution of the powers and authority herein given, which expenditures, by the means authorized herein, are hereby determined and declared as a matter of legislative finding to be for a public purpose and use, in the public interest, and for the

general welfare of the people of West Virginia, to alleviate and prevent economic deterioration and to relieve the existing critical condition of unemployment existing within the state.

The amendment of this section enacted in the year one thousand nine hundred ninety-eight, is intended to clarify the intent of the Legislature as to the manner in which an authority may sell, lease or otherwise dispose of real and personal property owned by an authority, and shall be retroactive to the date of the prior enactment of this section.

Acts 1963, c. 29; Acts 1972, c. 25; Acts 1998, c. 105, eff. March 14, 1998.

Library References

Key Numbers

Counties ⚷22.
Municipal Corporations ⚷284(1).
Westlaw Key Number Searches: 104k22; 268k284(1).

Encyclopedias

C.J.S. Counties §§ 41 to 42.
C.J.S. Municipal Corporations § 967.

§ 7-12-7a. Findings respecting necessity for exercise of right of eminent domain; authorization to exercise right of eminent domain

(a) It is hereby found and determined by the legislature that in fulfilling their prescribed purposes and exercising their powers, including the purpose of promoting, developing and advancing the business prosperity and economic welfare of the county for which created by acquiring lands and other real property to be furnished by lease, sale or other disposition as industrial sites, county development authorities are performing essential public purposes; that the performance of such essential public purposes are frequently impeded, unduly delayed, or wholly frustrated by imperfections in the title to essential land and other real properties, by lost heirs or widely scattered owners of undivided interests in essential lands and other real properties and by owners of relatively small but essential parcels of a proposed land development site who refuse to sell their land or other real property to the county; and, that the exercise by county development authorities of the right of eminent domain within the limitations herein provided is therefore necessary and appropriate to achieve the said public purposes of county development authorities.

(b) Any county development authority heretofore or hereafter created by a county commission pursuant to the authority of this article is hereby authorized and empowered to exercise the right of eminent domain if an order of such county commission authorizing exercise of the right of eminent domain as to any proposed acquisition is first made and entered and at least three fourths of the entire tract has either been purchased, optioned, or is under contract to be purchased: Provided, That prior to the issuance of the order by the county commission, it shall hold a public hearing on the public necessity of the exercise of eminent domain and shall cause a Class II legal advertisement to be published in accordance with the provisions of section two, article three, chapter fifty-nine, prior to the hearing: Provided, however, That a separate hearing must be held and a separate order promulgated for each parcel over which the authority wishes to exercise the power of eminent domain: Provided

further, That the right of eminent domain shall not be exercised to acquire real property which exceeds one fourth of any land development site proposed by the county development authority, and the aforesaid order of a county commission shall specifically state the anticipated size of the entire site with respect to which the exercise by a county development authority of the right of eminent domain is authorized.

Acts 1978, c. 23.

Library References

Key Numbers
Eminent Domain ⚷9.
Westlaw Key Number Search: 148k9.

Encyclopedias
C.J.S. Eminent Domain § 24.

§ 7-12-8. Incurring indebtedness; rights of creditors

The authority may incur any proper indebtedness and issue any obligations and give any security therefor which it may deem necessary or advisable in connection with carrying out its purposes as hereinbefore mentioned. No statutory limitation with respect to the nature, or amount, interest rate or duration of indebtedness which may be incurred by municipalities or other public bodies shall apply to indebtedness of the authority. No indebtedness of any nature of the authority shall constitute an indebtedness of the governing body of the municipality or county commission of the municipality or county in which the commission is intended to operate or any municipality situated therein, or a charge against any property of said county commission, municipalities, or other appointing agencies. The rights of creditors of the authority shall be solely against the authority as a corporate body and shall be satisfied only out of property held by it in its corporate capacity.

Acts 1963, c. 29; Acts 1972, c. 25; Acts 1986, c. 58.

Library References

Key Numbers
Counties ⚷149.
Municipal Corporations ⚷858.
Westlaw Key Number Searches: 104k149; 268k858.

Encyclopedias
C.J.S. Counties §§ 185, 187.

§ 7-12-9. Agreements in connection with obtaining funds

The authority may, in connection with obtaining funds for its purposes, enter into any agreement with any person, firm or corporation, including the federal government; or any agency or subdivision thereof, containing such provisions, covenants, terms and conditions as the authority may deem advisable.

Acts 1963, c. 29.

§ 7-12-9a. Joint undertakings by county development authorities

(a) The Legislature hereby finds and declares that the citizens of the state would benefit from coordinated economic development efforts and that to encourage cooperation and coordination, county economic development au-

thorities should share in the tax revenues derived from joint programs regardless of the county in which they are located.

(b) Any three or more county development authorities may contract to share expenses for and revenues derived from joint economic development projects within their respective geographic territories. Notwithstanding any other section of the code to the contrary, county development authorities may contract to distribute on a pro rata basis proceeds derived from joint economic development projects.

(c) Each county development authority participating in a joint economic development project contract must contribute at least fifteen thousand dollars in cash to the project.

(d) In the event that a county development authority desires to withdraw from participation, then the remaining participants may jointly choose a successor. No withdrawing county development authority shall be entitled to the return of any money or property advanced to the project, unless specifically provided for in the contract.

(e) In the event that a joint economic development project is terminated, all funds, property and other assets shall be returned to the county development authorities in the same proportion as contributions of funds, property and other assets were made by the county development authorities.

(f) A grant, which may not exceed one hundred thousand dollars, may be made by the West Virginia development office to any county economic development authority which enters into such contracts.

Acts 2001, c. 75, eff. 90 days after April 14, 2001.

§ 7-12-10. Property, bonds and obligations of authority exempt from taxation

The authority shall be exempt from the payment of any taxes or fees to the State or any subdivision thereof or to any officer or employee of the State or other subdivision thereof. The property of the authority shall be exempt from all local and municipal taxes. Bonds, notes, debentures and other evidence of indebtedness of the authority are declared to be issued for a public purpose and to be public instrumentalities, and shall be exempt from taxes.

Acts 1963, c. 29.

Library References

Key Numbers

Taxation ⚷217.
Westlaw Key Number Search: 371k217.

Encyclopedias

C.J.S. Taxation §§ 254, 261.

§ 7-12-11. Participation and appropriations authorized; transfers and conveyances of property

The governing body of a municipality and county commission are hereby authorized and empowered to appoint members of the said authority and the county commission and any municipality therein, or any one or more of them,

jointly and severally, are hereby authorized and empowered to contribute by appropriation from their respective general funds not otherwise appropriated to the cost of the operation and projects of the authority.

The county commission of the county or municipal corporations therein are hereby authorized and empowered to transfer and convey to the said authority property of any kind acquired by said county commission or municipal corporation for or adaptable to use in industrial, economic and recreational development, such transfers or conveyances to be without consideration or for such price and upon such terms and conditions as the said county commission or municipal corporation deems proper.

Acts 1963, c. 29; Acts 1979, c. 25; Acts 1986, c. 58.

§ 7-12-12. Contributions by county commissions, municipalities and others; funds and accounts; reports; audit and examination of books, records and accounts

Contributions may be made to the authority from time to time by the county commission of the county or any municipal corporation therein, and by any persons, firms or corporations which shall desire to do so. All such funds and all other funds received by the authority shall be deposited in such bank or banks as the authority may direct and shall be withdrawn therefrom in such manner as the authority may direct. The authority shall keep strict account of all its receipts and expenditures and shall each quarter make a quarterly report to the county commission and municipalities containing an itemized statement of its receipts and disbursements during the preceding quarter. Within sixty days after the end of each fiscal year, the authority shall make an annual report containing an itemized statement of its receipts and disbursements for the preceding year, and such annual report shall be published as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for such publication shall be the county in which the development authority is located. The books, records and accounts of the authority shall be subject to audit and examination by the office of the state tax commissioner of West Virginia and by any other proper public official or body in the manner provided by law.

Acts 1963, c. 29; Acts 1967, c. 105; Acts 1986, c. 58.

Library References

Key Numbers

Counties ⚷159.
Municipal Corporations ⚷885.
Westlaw Key Number Searches: 104k159; 268k885.

Encyclopedias

C.J.S. Counties § 196.
C.J.S. Municipal Corporations § 1629.

§ 7-12-13. Sale or lease of property; reversion of assets upon dissolution

In the event the board of the authority shall so determine, the authority may lease or sell all of its property and equipment, either by contract or at public auction, on such terms and conditions as the authority may fix and determine. Upon the dissolution of the authority, all of its assets and property shall revert

to and become the property of the county or municipality for which said authority was created.

The amendment of this section in the year one thousand nine hundred ninety-eight, is intended to clarify the intent of the Legislature as to the manner in which an authority may sell, lease or otherwise dispose of real and personal property owned by an authority, and shall be retroactive to the date of the prior enactment of this section.

Acts 1963, c. 29; Acts 1986, c. 58; Acts 1998, c. 105, eff. March 14, 1998.

Library References

Key Numbers

Counties ⚷22.
Municipal Corporations ⚷284(1).
Westlaw Key Number Searches: 104k22; 268k284(1).

Encyclopedias

C.J.S. Counties §§ 41 to 42.
C.J.S. Municipal Corporations § 967.

§ 7-12-14. Employees to be covered by workers' compensation

All employees of the authority eligible thereto are deemed to be within the Workers' Compensation Act of West Virginia, and premiums on their compensation shall be paid by the authority as required by law.

Acts 1963, c. 29; Acts 1986, c. 58.

Cross References

Workers' compensation, generally, see § 23-1-1 et seq.

§ 7-12-15. Liberal construction of article

It is the purpose of this article to provide for promotion, development and advancement of the business prosperity and economic welfare of the municipality or county, its citizens and its industrial complex, and this article shall be liberally construed as giving to the authority full and complete power reasonably required to give effect to the purposes hereof.

Acts 1963, c. 29; Acts 1986, c. 58.

§ 7-12-16. Provisions severable

The several sections and provisions of this article are severable, and if any section or provisions hereof shall be held unconstitutional, all the remaining sections and provisions of this article shall nevertheless remain valid.

Acts 1963, c. 29.

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapters 6 to 7
(Including Chapter 7A)

2009
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(2) Make such covenants and do any and all such actions, not inconsistent with the constitution of this state, which may be necessary, convenient or desirable in order to additionally secure the obligations or which tend to make the obligations more marketable according to the best judgment of the county commission or municipality issuing the tax increment financing obligations.

Acts 2002, c. 301, eff. 90 days after March 9, 2002; Acts 2004, c. 238, eff. March 13, 2004.

§ 7-11B-24. Tax increment financing obligations — special fund for repayment

(a) Tax increment financing obligations issued by a county commission or municipality are payable out of the tax increment financing fund created for each development and redevelopment district created under this article.

(b) The county commission or municipality issuing the tax increment financing obligations shall irrevocably pledge all or part of the tax increment financing fund to the payment of the obligations. The tax increment financing fund, or the designated part thereof, may thereafter be used only for the payment of the obligations and their interest until they have been fully paid.

(c) A holder of the tax increment financing obligations shall have a lien against the tax increment financing fund for payment of the obligations and interest on them and may bring suit to enforce the lien.

(d) A county commission or municipality may issue and secure additional bonds payable out of the tax increment fund created for each development or redevelopment district created under this article, which bonds may rank on a parity with, or be subordinate or superior to, other bonds issued by the county commission or municipality from each such tax increment fund.

Acts 2002, c. 301, eff. 90 days after March 9, 2002; Acts 2004, c. 238, eff. March 13, 2004.

§ 7-11B-26. Excess funds

(a) Moneys received in the tax increment financing fund of the development or redevelopment district in excess of amounts needed to pay project costs and debt service may be used by the county commission or municipality that created the development or redevelopment district for other projects within the district or distributed to the levying bodies as provided in this article.

(b) Upon termination of the district, all amounts in the tax increment financing fund of the district shall be paid over to the levying bodies in the same proportion that ad valorem property taxes on the base value was paid over to those levying bodies for the tax year in which the district is terminated.

Acts 2002, c. 301, eff. 90 days after March 9, 2002; Acts 2004, c. 238, eff. March 13, 2004.

§ 7-11B-27. Computation of local share for support of public schools when tax increment financing is used

For purposes of any computation made in accordance with the provisions of section eleven, article nine-a, chapter eighteen of this code, for a county in which there is tax increment financing in effect pursuant to this article, the assessed value shall be the current assessed value minus the amount of assessed value used to determine the tax increment amount, minus any other adjustments allowed by section eleven of said article.

Acts 2002, c. 301, eff. 90 days after March 9, 2002.

ARTICLE 12
COUNTY AND MUNICIPAL DEVELOPMENT AUTHORITIES

Section

7-12-7. Powers generally.
7-12-9b. Joint development entities.

§ 7-12-1. Establishment

In general 1

1. In general

A county court is authorized to c
ment authority notwithstanding th
in the county of a private developm
55 W.Va. Op.Atty.Gen. 187 (Nov
1973 WL 159175.

County court authorized to issu
quiring industrial plants; can act.

§ 7-12-7. Powers general

(a) The development authori
and adopt all necessary bylaws
with laws; (2) to elect its o
compensation for personnel ne
person, agency, governmental
private corporations, and gene
purpose of promoting, develo
welfare of the county in which
including, without limiting any
for lease to the federal govern
therewith to prepare and sub
agencies or departments in ac
on the terms and conditions a
the United States of America
leasing thereof to the federal
supplement any contracts or l
leases upon such terms and co
with or without option of rene
agency, governmental departm
and subject to the provisions
maintain such buildings and s
connection with the primary us
as barber shops, newsstands,
purposes, grant leases, permits
upon such terms and condition
be agreed upon by the authori
corporation; (6) to delegate an
agents or employees; (7) to ap
tions from any source or sourc
from any person, firm or co
construction, or in any other la
lease or otherwise dispose of
contract or at public auction, u
authority; (9) to purchase or o
of any personal property whi
pursuant to a determination by
alleviate and prevent unemplo
operate or aid in the rehabi
decaying or otherwise economi
necessary therefor; to borrow
mortgage bonds, other bonds,
such terms as the authority

§ 7-12-1. Establishment authorized; name; exceptions

Notes of Decisions

In general 1

1. In general

A county court is authorized to create a development authority notwithstanding the existence within the county of a private development corporation. 55 W.Va. Op.Atty.Gen. 187 (November 9, 1973) 1973 WL 159175.

County court authorized to issue bonds for acquiring industrial plants; can act with federal or organizations in advancement of industrial development; may transfer county property for adequate consideration; may not condemn private property for industrial development; is not prohibited from using county finances as matching funds. 53 W.Va. Op.Atty.Gen. 276 (August 15, 1969) 1969 WL 100559.

County courts may appropriate public funds for use by local public development authorities. 51 W.Va. Op.Atty.Gen. 759 (April 4, 1966) 1966 WL 87473.

§ 7-12-7. Powers generally

(a) The development authority is hereby given power and authority as follows: (1) To make and adopt all necessary bylaws and rules for its organization and operations not inconsistent with laws; (2) to elect its own officers, to appoint committees and to employ and fix compensation for personnel necessary for its operation; (3) to enter into contracts with any person, agency, governmental department, firm or corporation, including both public and private corporations, and generally to do any and all things necessary or convenient for the purpose of promoting, developing and advancing the business prosperity and economic welfare of the county in which it is intended to operate, its citizens and industrial complex, including, without limiting any of the foregoing, the construction of any building or structure for lease to the federal government or any of its agencies or departments, and in connection therewith to prepare and submit bids and negotiate with the federal government or such agencies or departments in accordance with plans and specifications and in the manner and on the terms and conditions and subject to any requirements, regulations, rules and laws of the United States of America for the construction of said buildings or structures and the leasing thereof to the federal government or such agencies or departments; (4) to amend or supplement any contracts or leases or to enter into new, additional or further contracts or leases upon such terms and conditions, for such consideration and for such term of duration, with or without option of renewal, as may be agreed upon by the authority and such person, agency, governmental department, firm or corporation; (5) unless otherwise provided for in, and subject to the provisions of, such contracts, or leases, to operate, repair, manage and maintain such buildings and structures and provide adequate insurance of all types and in connection with the primary use thereof and incidental thereto to provide such services, such as barber shops, newsstands, drugstores and restaurants, and to effectuate such incidental purposes, grant leases, permits, concessions or other authorizations to any person or persons, upon such terms and conditions, for such consideration and for such term of duration as may be agreed upon by the authority and such person, agency, governmental department, firm or corporation; (6) to delegate any authority given to it by law to any of its officers, committees, agents or employees; (7) to apply for, receive and use grants-in-aid, donations and contributions from any source or sources and to accept and use bequests, devises, gifts and donations from any person, firm or corporation; (8) to acquire real property by gift, purchase or construction, or in any other lawful manner, and hold title thereto in its own name and to sell, lease or otherwise dispose of all or part of such real property which it may own, either by contract or at public auction, upon the approval by the board of directors of the development authority; (9) to purchase or otherwise acquire, own, hold, sell, lease and dispose of all or part of any personal property which it may own, either by contract or at public auction; (10) pursuant to a determination by the board that there exists a continuing need for programs to alleviate and prevent unemployment within the county in which the authority is intended to operate or aid in the rehabilitation of areas in said county which are underdeveloped, decaying or otherwise economically depressed and that moneys or funds of the authority are necessary therefor, to borrow money and execute and deliver the authority's negotiable notes, mortgage bonds, other bonds, debentures and other evidences of indebtedness therefor, on such terms as the authority shall determine and give such security therefor as shall be

requisite, including giving a mortgage or deed of trust on its real or personal property and facilities in connection with the issuance of mortgage bonds; (11) to raise funds by the issuance and sale of revenue bonds in the manner provided by the applicable provisions of article sixteen, chapter eight of this code, it being hereby expressly provided that a development authority created under this article is a "governing body" within the definition of that term as used in said article sixteen, chapter eight of this code; and (12) to expend its funds in the execution of the powers and authority herein given, which expenditures, by the means authorized herein, are hereby determined and declared as a matter of legislative finding to be for a public purpose and use, in the public interest, and for the general welfare of the people of West Virginia, to alleviate and prevent economic deterioration and to relieve the existing critical condition of unemployment existing within the state.

(b) The amendment of this section enacted in the year one thousand nine hundred ninety-eight is intended to clarify the intent of the Legislature as to the manner in which an authority may sell, lease or otherwise dispose of real and personal property owned by an authority and shall be retroactive to the date of the prior enactment of this section.

(c) Notwithstanding any provision of this code to the contrary, any development authority participating in the Appalachian Region Interstate Compact pursuant to chapter seven-a of this code may agree to a revenue and economic growth-sharing arrangement with respect to tax revenues and other income and revenues generated by any facility owned by an authority. Any development authority or member locality may be located in any jurisdiction participating in the Appalachian Region Interstate Compact or a similar agreement for interstate cooperation for economic and workforce development authorized by law. The obligations of the parties to any such agreement shall not be debt within the meaning of section eight, article X of the Constitution of West Virginia. Any such agreement shall be approved by a majority vote of the governing bodies of the member localities reaching such an agreement but does not require any other approval.

(d) "Member localities" means the counties, municipalities or combination thereof which are members of an authority.

Acts 1963, c. 29; Acts 1972, c. 25; Acts 1998, c. 105, eff. March 14, 1998; Acts 2007, c. 58, eff. June 8, 2007.

§ 7-12-9b. Joint development entities

(a) The Legislature hereby finds and declares that the citizens of this state would benefit from coordinated economic development efforts and that to encourage cooperation and coordination, county governing bodies, municipal governing bodies and county and municipal development authorities should be authorized to organize and jointly own all of the partnership, ownership and membership interests in a partnership, corporation or limited liability company for the sole purpose of undertaking jointly, through their joint ownership of or membership in the partnership, corporation or limited liability company any project or projects that an authority established pursuant to this article would be permitted to undertake.

(b) Any combination of two or more county governing bodies, municipal governing bodies, municipal development authorities or county development authorities may jointly form and hold all of the partnership, ownership or membership interests in a partnership, corporation or limited liability company, the sole purpose of which is to develop and own one or more joint economic development projects (for purposes of this section, a "joint development entity"). No person or entity other than a county governing body, municipal governing body, municipal development authority or county development authority may own any ownership or membership interest in a joint development entity. Any existing partnership, corporation or limited liability company is a joint development entity on and after the effective date of this section if: (I) It was organized for the purposes described in this subsection prior to the effective date of this section; and (ii) the partnership, ownership or membership interests in it meet the requirements of this subsection on and after the effective date of this section.

(c) To the extent consistent with and not prohibited by or in conflict with the restrictions and limitations on, or the rights and attributes of, a joint development entity set forth in this section, the applicable general law governing partnerships, corporations or limited liability companies govern the organization, existence, duration, powers, governance and dissolution of

a joint development entity
members of a joint develop

(d) A joint development
instrumentality of its partn
of an authority set forth in
article in addition to tho
companies under applicable

(e) For West Virginia ta
the State of West Virginia
personal property owned b
may acquire to be leased, s
or any county, municipality
Acts 2005, c. 57, eff. 90 days af

§ 7-12-11. Participati ances of

In general 1

1. In general
A county court may transfe
county development authorit

ECO

§ 7-13-6. Membershi izations

In general 1
Federal programs 2

1. In general
County Board of Educatio
munity extends to "Operation
schools, buses; procure trans

§ 7-13-9. Accountabi

In general 1

1. In general
Although not mandatory,
maintain a proper system

a joint development entity and the rights and responsibilities of the partners, owners or members of a joint development entity.

(d) A joint development entity is a public corporation and a political subdivision and instrumentality of its partners, owners or members and has the powers, rights and privileges of an authority set forth in sections seven, eight, nine, ten, eleven, twelve and fourteen of this article in addition to those granted to partnerships, corporations and limited liability companies under applicable general law.

(e) For West Virginia tax purposes, a joint development entity is a political subdivision of the State of West Virginia and is exempt from all state and local taxation and all real and personal property owned by a joint development entity, or which the joint development entity may acquire to be leased, sold or otherwise disposed of, is exempt from taxation by the state or any county, municipality or other levying body as public property.

Acts 2005, c. 57, eff. 90 days after April 4, 2005. Acts 2008, c. 44, eff. June 6, 2008.

§ 7-12-11. Participation and appropriations authorized; transfers and conveyances of property

Notes of Decisions

In general 1

1. In general

A county court may transfer real property to a county development authority without consideration. 55 W.Va. Op.Atty.Gen. 245 (April 10, 1974) 1974 WL 174287.

ARTICLE 13

ECONOMIC OPPORTUNITY PROGRAMS

§ 7-13-6. Membership and participation in community action program organizations

Notes of Decisions

In general 1
Federal programs 2

1. In general

County Board of Education's governmental immunity extends to "Operation Headstart"; may use schools, buses; procure transportation liability insurance. 51 W.Va. Op.Atty.Gen. 282 (April 29, 1965) 1965 WL 92438.

2. Federal programs

County boards of education may legally establish "Headstart Programs", using public school facilities therefor. 52 W.Va. Op.Atty.Gen. 529 (October 31, 1967) 1967 WL 93431.

§ 7-13-9. Accountability of funds

Notes of Decisions

In general 1

1. In general

Although not mandatory, a county court should maintain a proper system for the accounting of funds contributed by it to a community action program. 55 W.Va. Op.Atty.Gen. 287 (June 4, 1974) 1974 WL 174300.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 8, ARTICLE 16 OF THE WEST VIRGINIA CODE, AND CHAPTER 8, ARTICLE 16 OF THE 2009 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
June 8, 2010

Natalie E. Tennant

Secretary of State

ARTICLE 16

MUNICIPAL PUBLIC WORKS; REVENUE BOND FINANCING

Part I—Definitions; Authorization of Municipal Public Works.

Section
8-16-1. Definitions.
8-16-2. Municipalities authorized to construct, etc., public works and to acquire property; payment of costs.
8-16-3. Special provisions as to certain municipal public works.

Part II—Control of Governing Body or Board.

8-16-4. Construction, etc., to be under control of governing body or appointed board, etc.
8-16-4a. Additional special provisions as to motor vehicle parking facilities.
8-16-4b. Additional special provision as to the use of space in motor vehicle parking facilities.

Part III—General Powers and Authority.

8-16-5. Powers of board.
8-16-6. Preliminary expenses.
8-16-7. Ordinance for construction, etc., of works.

Part IV—Right of Eminent Domain.

8-16-8. Right of eminent domain.

Part V—Revenue Bond Financing.

8-16-9. Bonds for improvements, etc., of works.
8-16-10. Items of expense included in cost of works.
8-16-11. No municipality is to incur any obligation not payable from proceeds of bonds; exemption from taxation.
8-16-12. Interest rate and life of bonds; redemption; how payable; form, denominations, etc.; additional bonds authorized; interim certificates.
8-16-13. Obligations not to bind municipal official or officer or member of board personally.
8-16-14. Additional bonds for improvements, etc., of works.
8-16-15. How proceeds of bonds applied.
8-16-16. Bonds secured by trust indenture between municipality or municipalities and corporate trustee.
8-16-17. Sinking fund; sinking fund commission; transfer of funds; purchase of outstanding bonds.

Part VI—Imposition of Rates or Charges.

8-16-18. Rates, fees or charges for services rendered by works.
8-16-18a. Pledge of the hotel occupancy tax; contribution of revenues to building commission.
8-16-19. Appeal to public service commission from rates fixed.

Part VII—Accounting System and Records.

8-16-20. Accounting system; yearly audit; custodian of funds.

Part VIII—Rates or Charges for Municipalities.

8-16-21. Governmental entities to pay established rates, fees or charges for services rendered to it or them.

Section

Part IX—Liens and Protection of Bondholders.

8–16–22. Statutory mortgage lien upon works created.
8–16–23. Acquisition of property on which lien exists.
8–16–24. Protection and enforcement of rights of bondholders, etc.; receivership; effect of receivership on lease agreement.

Part X—Construction; Extraterritorial Jurisdiction.

8–16–25. Article confers additional power and authority; extraterritorial jurisdiction.
8–16–26. Construction of power and authority conferred.
8–16–27. Article liberally construed.
8–16–28. Reference to "municipal authorities" or "municipal authority" elsewhere in law to mean "governing body" for the purposes of this article only.

PART I—DEFINITIONS; AUTHORIZATION OF MUNICIPAL PUBLIC WORKS

§ 8–16–1. Definitions

As used in this article, the following terms shall have the following meanings unless the text clearly indicates otherwise.

(a) "Municipal public works" or "works" or "projects" means the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment, maintenance, repair (including replacements) and operation of jails, jail facilities, municipal buildings, police stations, fire stations, libraries, museums, other public buildings, incinerator plants, land fill or other garbage disposal systems, hospitals, piers, docks, terminals, airports, drainage systems, flood control systems, stormwater systems and associated stormwater management program, flood walls, culverts, bridges (including approaches, causeways, viaducts, underpasses and connecting roadways), public markets, cemeteries, motor vehicle parking facilities (including parking lots, buildings, ramps, curb-line parking, meters and other facilities considered necessary, appropriate, useful, convenient or incidental to the regulation, control and parking of motor vehicles), farms, dormitories, apartments and other housing facilities for the students and faculties of institutions of higher education; facilities providing housing for the elderly, including, but not limited to, life care facilities, congregate living facilities and adult residential facilities, stadiums, gymnasiums, sports arenas, auditoriums, public recreation centers, public recreation parks, swimming pools, roller skating rinks, ice skating rinks, tennis courts, golf courses, polo grounds, or the grading, regrading, paving, repaving, surfacing, resurfacing, curbing, recurbing, widening or otherwise improving of any street, avenue, road, alley or way, or the building or renewing of sidewalks, where works or projects will be made self-supporting, and the cost thereof, together with the interest thereon, will be returned within a reasonable period, not exceeding forty years, by means of tolls, fees, rents, special assessments or charges other than taxation; and the terms shall also mean any works or project as a whole, and all integral parts thereof, including all necessary, appropriate, useful, convenient or incidental

appurtenances and equipment in connection with any one or more of the above.

(b) "Stormwater systems" means a stormwater system in its entirety or any integral part thereof used to collect and dispose of stormwater and an associated stormwater management program. It includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet including, but not limited to, any and all of the following: Inlets, conduits, outlets, channels, ponds, drainage easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations. The term "stormwater systems" shall not include highways, road and drainage easements, and/or stormwater facilities constructed, owned and/or operated by the West Virginia Division of Highways.

(c) "Stormwater management program" means those activities associated with the management, operation, maintenance and control of stormwater and stormwater systems, and shall include, but not be limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforcement and any other activities required by state and federal law. The term " stormwater management program" shall not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements, and/or stormwater facilities constructed, owned and/or operated by the West Virginia Division of Highways without the express agreement of the commissioner of highways.

Acts 1935, c. 68, § 1; Acts 1945, c. 90; Acts 1951, c. 136; Acts 1955, c. 121; Acts 1959, c. 116; Acts 1961, c. 100; Acts 1969, c. 86; Acts 1981, c. 164; Acts 2001, c. 212, eff. 90 days after April 14, 2001.

Cross References

Creation by charter provision of certain independent city boards, home rule powers for cities, see § 8-12-3.
General powers of every municipality and its governing body, see § 8-12-5.
Hotel occupancy tax, payment on bonds, see § 8-13-3.

Notes of Decisions

Construction and application 1
Municipal public works 3
Ordinances 4
Presumptions and burden of proof 5
Title of act 2

1. Construction and application

The requirement of the act conferring authority on a municipality to construct a flood control system, that public works conducted thereunder shall be self-sustaining, is not operative, where the work, like a flood wall, is incapable of producing an operating revenue. Acts 1935, c. 68. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Levees And Flood Control ⟹ 22

2. Title of act

The title, "An Act to authorize municipalities to establish * * * municipal public works and to defray the cost of such construction * * * by issuing revenue bonds, secured by and payable from the revenues of such systems; to authorize charges for the use of such municipal public works and to provide for the collection of same," having clearly expressed the principal object to authorize municipal public works, words descriptive of details ancillary thereto should not be narrowly defined. Acts 1935, c. 68; Const. art. 6, § 30. Duling Bros. Co. v. City

of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Statutes ⚷ 123(3)

The title, "An Act to authorize municipalities to establish * * * municipal public works and to defray the cost of such construction * * * by issuing revenue bonds, secured by and payable from the revenues of such systems; to authorize charges for the use of such municipal public works and to provide for the collection of same," contemplates special assessments, or charges, for the service or benefit from a flood wall. Acts 1935, c. 68; Cost. art. 6, § 30. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Statutes ⚷ 123(3)

3. Municipal public works

Building that was to be acquired and owned by Charleston Building Commission but leased to state was a "municipal public work" for purposes of revenue bond financing statutes. Code, 8-16-1. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⚷ 911

The words "automobile parking buildings" as used in the statute authorizing municipalities to construct and operate municipal public works and to pay therefor, mean automobile parking facilities, and include an automobile lot equipped with a 95 foot elevator for use in its operation, and an issue of revenue bonds authorized by an ordinance duly enacted as provided by the statutes, was valid. Act 1935, c. 68, as amended. State ex rel. Holbert v. Robinson, 1950, 59 S.E.2d 884, 134 W.Va. 524. Municipal Corporations ⚷ 276

The paving or repaving of a public street in a municipality is a "municipal public work" which municipality is authorized to construct by statute providing for issuance of revenue bonds for construction of such work. Acts 1935, c. 68. City of Moundsville v. Brown, 1945, 34 S.E.2d 321, 127 W.Va. 602. Municipal Corporations ⚷ 269(2)

4. Ordinances

The purpose of ordinances required by statute authorizing municipalities to establish and maintain municipal public works and defray cost thereof by issuing revenue bonds is to inform residents and taxpayers of the municipalities concerning outlay by them and expected returns from special assessment to be laid pursuant to the statute. Acts 1935, c. 68. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Municipal Corporations ⚷ 301

The statute requiring municipal ordinance authorizing construction of public work to set forth estimated cost thereof refers to the cost of the proposed work to the municipality, and not to other contributions. Acts 1935, c. 68, § 6. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Municipal Corporations ⚷ 303(1)

5. Presumptions and burden of proof

In absence of contrary showing, public improvement is presumed to create a special benefit, and one attacking validity of assessment therefor has burden of establishing invalidity thereof. State ex rel. City of Huntington v. Heffley, 1944, 32 S.E.2d 456, 127 W.Va. 254. Municipal Corporations ⚷ 484(1)

§ 8-16-2. Municipalities authorized to construct, etc., public works and to acquire property; payment of costs

Every municipality is and any two or more municipalities acting jointly, whether situate in the same county or different counties, are, hereby empowered and authorized to construct, reconstruct, establish, acquire, improve, renovate, extend, enlarge, increase, own, equip, repair (including replacements), maintain and operate any municipal public works, together with all appurtenances necessary, appropriate, useful, convenient or incidental for or to the maintenance and operation of such works, and shall have plenary power and authority to acquire by gift, grant, purchase, condemnation or otherwise, and thereafter hold, all necessary lands, rights, easements, rights-of-way, franchises and other property therefor within or without, or partly within and partly without, the corporate limits of any such municipality or municipalities, and to issue revenue bonds to pay the costs of such public works and properties: Provided, That this section shall not be construed to authorize any municipality to construct, reconstruct, establish, acquire, improve, renovate, extend, enlarge, increase, own, equip, repair (including replacements), maintain or operate any works which would render a service already being adequately rendered within such municipality. No obligation shall be incurred by

any municipality in such construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement or increase, except such as is payable solely from the funds provided under the authority of this article.

Acts 1935, c. 68, § 2; Acts 1969, c. 86.

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Key Numbers
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Westlaw Key Number Search: 268k265.

Encyclopedias
C.J.S. Municipal Corporations § 958.

Notes of Decisions

Injunctive relief 4
Lease-purchase agreements 1
Refinancing 3
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1. Lease-purchase agreements

Building that was to be acquired and owned by Charleston Building Commission but leased to state was a "municipal public work" for purposes of revenue bond financing statutes. Code, 8-16-1. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 911

Charleston Building Commission had authority to enter into lease-purchase agreement with state whereby commission would purchase and refurbish building, state would pay rent to commission in amount sufficient to discharge bonds or certificates of participation, and state would have option to purchase building from commission upon repayment of bonds or other such obligations. Code, 8-12-5(36), 8-33-4(f); Charleston, W.Va., Charter § 59. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 223.

City of Charleston, in its distinctive role as capital of West Virginia, may provide property to state to be used as a state capitol or for other public buildings; this special authority extends to Charleston Building Commission and enables it, also, to provide property for state purposes. Code, 8-12-5(36), 8-33-4(f); Charleston, W.Va., Charter § 59. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 225(1)

2. Revenue bonds

State Constitution's prohibition against incurring excessive debt by municipal corporations was not violated by Charleston Building Commission's proposal to finance acquisition of building to be leased to state through issuance of bonds or certificates of participation. Const. Art. 10, § 8; Code, 8-33-5. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 864(3)

Charleston Building Commission has authority to issue bonds or certificates of participation to finance its acquisition and renovation of building that it intends to lease to state. Code, 8-33-4(h-j). State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 906

The proceeds of a series of general obligation bonds of city of Grafton issued for purpose of defraying part of expense of completing construction and equipment of a hospital owned by municipality, residue of which expense was paid from sale of revenue bonds could be used for such purpose. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 911

The validity of municipal revenue bonds issued by city of Grafton, the proceeds of which were to be used toward completion of hospital owned by city, was not impaired by fact that funds derived from general taxation, or from other sources, also had been, and were to be, used in construction of the hospital. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935 c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 911

A provision in ordinance of city of Grafton authorizing issuance of series of revenue bonds for completion of hospital building owned by city, which provides that bonds are to be a statutory mortgage lien on hospital when completed and on equipment and future additions thereto, and which pledges all of net profit from hospital for payment of the revenue bonds and interest thereon, is valid. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 8-4A-22, as added by Laws 1935, c. 68, § 22. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 917(1)

General obligation bonds issued by city of Grafton; proceeds of which were to be used by defraying a part of expenses of completing hospital owned by city, were valid, in view of manner in which election authorizing issuance of bonds was conducted; and that validity of bond issue was approved by attorney general

and copy of his approval published in two newspapers of opposite politics and that no petition praying that attorney general's action be reversed was filed. Code 1931, 13-1-27. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 918(4)

A provision in ordinance of city of Grafton authorizing issuance by municipality of revenue bonds to aid in completion of hospital owned by municipality, to effect that municipality should pay legally established rates for use of hospital, did not create an "indebtedness" against the municipality within statutory or constitutional inhibition against creation of public debt. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 13-1-3; Const. art. 8, § 10. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 864(4)

Revenue bonds issued by municipality to aid in completion of hospital owned by municipality pursuant to act authorizing municipalities to issue revenue bonds for construction or maintenance of a municipal public works were not an "indebtedness" of municipality within statutory or constitutional inhibition against creation of public debt. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 13-1-3; Const. art. 8, § 10. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 864(4)

3. Refinancing

The statute authorizing municipalities to refinance "any enterprise" as therein defined does not authorize refinancing as a single issue three separate bond issues for three separate flood wall units constructed under separate ordinances and representing a variation in construction and maintenance costs, rates chargeable, etc. Acts 1937, c. 120; Acts 1935, c. 68; Const. art. 10, § 1; Code, 2-2-10. State ex rel. City of Huntington v. Heffley, 1944, 32 S.E.2d 456, 127 W.Va. 254. Levees And Flood Control ⟹ 34

4. Injunctive relief

Injunction would not lie to restrain enforcement of municipal ordinance transferring control of city's floodwall system from board to another local agency; municipality was authorized by statute to maintain control over municipal public works, including flood control systems and flood walls, petition for injunction did not indicate that ordinance would cause irreparable injury, and declaratory judgment action would be adequate remedy at law. Code 8-16-1, 8-16-2, 8-16-4. Perdue v. Ferguson, 1986, 350 S.E.2d 555, 177 W.Va. 44. Injunction ⟹ 85(1)

§ 8-16-3. Special provisions as to certain municipal public works

When the municipal public works is a motor vehicle parking facility, any municipality involved therein shall have the plenary power and authority, in order to help finance the same, to use any revenue derived from other parking meters or other parking facilities, unless such revenue is otherwise pledged to pay for such other parking meters or other parking facilities.

When the municipal public works is a jail facility used for municipal prisoners, any municipality involved therein shall have the power and authority, in order to help finance the same, to pledge, for a period not to exceed twenty years, the proceeds derived from the imposition of fines and fees.

When the cost of the municipal public works is to be paid by special assessment against the abutting property, represented by assessment certificates which constitute a lien upon such property and said assessment certificates are pledged by any municipality to retire revenue bonds issued and sold to pay the cost thereof, the payor of such assessment certificate shall have the right to pay the same at any time before maturity, together with interest thereon to date of payment, and upon the payment of such assessment certificate the treasurer of such municipality shall deliver to the payor a release for such lien, and the funds received therefrom shall by said treasurer be deposited in a special fund to be expended only in the payment of such revenue bonds.

Acts 1951, c. 137; Acts 1953, c. 134; Acts 1955, c. 122; Acts 1963, c. 123; Acts 1969, c. 86.

Library References

Key Numbers

Municipal Corporations ⟹268.

Westlaw Key Number Search: 268k268.

Notes of Decisions

Financing 1
Mandamus 4
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Parking meters 3

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1. Financing

Fines generated by a municipal court may be dedicated to retire a debt created for a bond issue for not more than twenty years which finances the construction of a municipal building to the extent that said municipal building constitutes a jail or facility; the use or establishment of a jail which houses municipal prisoners. Magro, Op.Atty.Gen., June 7, 1988.

2. Parking facilities

Under statutes, municipal corporation which has appointed commission to supervise and control automobile parking facilities, when constructed, and has adopted bond ordinance to defray cost of construction, is empowered to pledge revenues derived from off street parking meters to help finance construction of automobile parking facilities, including payment of principal and interest on revenue bonds issued for purpose of financing construction of proposed automobile parking facility. Code, 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Municipal Corporations ⟹ 950(15)

Statute to effect that municipality shall have authority to establish automobile parking facilities and to create commission for supervision of such facilities and to pay to such commission revenue derived from parking meters or other parking facilities, unless otherwise pledged to pay for such meters or parking facilities, had as its underlying purpose alleviation of congested parking conditions in municipalities, and was enacted by Legislature in exercise of its police power. Code, 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Municipal Corporations ⟹ 276

3. Parking meters

Though on-street parking meters are designed to aid in controlling traffic on public streets of municipality, in exercise of police power, and fees may be employed to defray expense of regulatory service, fee charged may not be used for purely revenue raising purposes. Code, 8-4A-1 as amended by Acts 1945, c. 90, and Acts 1951, c. 136; 8-4A-1a, as added by acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Automobiles ⟹ 5(3)

In absence of affirmative showing that revenue to be derived from off-street parking facilities and curb line parking meters exceeded cost of constructing and operating off-street parking facility, and on-street parking meters, and principal and interest on revenue bonds issued for purpose of financing such facilities, municipal bond ordinance to finance construction of off-street parking facilities by revenues derived from off-street parking facilities and from curb line parking meters, was not invalid as revenue raising measure. Code, 8-4A-1 as amended by Acts 1945, c. 90, and Acts 1951, c. 136; 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Automobiles ⟹ 7

4. Mandamus

Where council of municipal corporation enacted valid ordinance providing for construction of public automobile parking lots, to be financed by revenue bonds to be issued over signature of mayor of municipality, mayor had mandatory administrative duty enforcible in mandamus, to sign revenue bond, and to perform other administrative acts to bring about issuance of bonds, and further construction of proposed parking lot. Code, 8-4A-1 as amended by Acts 1945, c. 90, and Acts 1951, c. 136; 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Mandamus ⟹ 90

PART II—CONTROL OF GOVERNING BODY OR BOARD

§ 8-16-4. Construction, etc., to be under control of governing body or appointed board, etc.

The construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment, repair (including replacements), custody, maintenance and operation of any such works, and the collection of revenues therefrom, shall be under the supervision and control of the governing body, or of a committee, by whatever name called, composed of all or a portion of the governing body when only one municipality is involved, or of a board or commission appointed by such governing body when only one municipality is involved or appointed by the governing bodies when two or more municipalities take joint action under the provisions of this article, as may be provided by the governing body or bodies.

When such supervision and control are vested in a committee, board or commission, the governing body or bodies, as the case may be, may provide, by ordinance or ordinances, for said committee, board or commission to exercise such of the functions of the governing body or bodies in connection with the matter as it or they deem proper, and may provide for said committee, board or commission to receive such compensation as such body or bodies may deem proper, all of which authority and compensation shall be specifically provided for by ordinance or ordinances. Any such committee, board or commission shall consist of the number of members fixed in the ordinance or ordinances creating the same, and the manner and mode of the selection and appointment of the members of any such board or commission shall be stated in such ordinance or ordinances. The members of any such board or commission appointed by the governing body or bodies shall be chosen without regard to their political affiliations, but with regard to their business and professional experience or standing as citizens in the community. All compensation and expenses, including attorney's fees, of such committee, board or commission shall be paid solely from funds provided under the authority of this article. Any such committee, board or commission shall have the power to establish bylaws, rules and regulations for its own government.

When hereinafter used in this article, the term "board" shall be construed to mean the governing body or committee composed of all or a portion of the governing body when only one municipality is involved, or a board or commission appointed by the governing body when only one municipality is involved or appointed by the governing bodies when two or more municipalities take joint action under the provisions of this article, as the case may be. When two or more municipalities take joint action under the provisions of this article each governing body shall appoint to the board the number of members which the governing bodies have agreed shall be appointed by each such governing body.

The governing body or bodies also, in its or their discretion, may provide by ordinance or ordinances for the leasing of a municipal public works and provide for the custody, maintenance and operation thereof by a lessee in accordance with the provisions of such ordinance or ordinances and lease

contract executed pursuant thereto: Provided, That the lessee shall pay to the municipality or municipalities for the use and occupancy of such municipal public works so leased an amount sufficient to provide a sinking fund for the payment of the bonds and the interest thereon and all other charges mentioned in section seventeen of this article.

Acts 1935, c. 68, §§ 3, 21; Acts 1937, c. 55; Acts 1961, c. 100; Acts 1969, c. 86.

Library References

Key Numbers
Municipal Corporations ⟹284(1).
Westlaw Key Number Search: 268k284(1).

Encyclopedias
C.J.S. Municipal Corporations § 967.

Notes of Decisions

Board, commission or committee 2
Injunctive relief 4
Leases 3
Title of act 1

1. Title of act

The title, "An Act to authorize municipalities to establish * * * municipal public works and to defray the cost of such construction * * * by issuing revenue bonds, secured by and payable from the revenues of such systems; to authorize charges for the use of such municipal public works and to provide for the collection of same," having clearly expressed the principal object to authorize municipal public works, words descriptive of details ancillary thereto should not be narrowly defined. Acts 1935, c. 68; Const. art. 6, § 30. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Statutes ⟹ 123(3)

The title, "An Act to authorize municipalities to establish * * * municipal public works and to defray the cost of such construction * * * by issuing revenue bonds, secured by and payable from the revenues of such systems; to authorize charges for the use of such municipal public works and to provide for the collection of same," contemplates special assessments, or charges, for the service or benefit from a flood wall. Acts 1935, c. 68; Cost. art. 6, § 30. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Statutes ⟹ 123(3)

2. Board, commission or committee

Individual who has been appointed chairman pro tem of municipal building commission possesses same duties and responsibilities as regularly and duly elected chairman of that commission would possess. Code, 8-33-4. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 192

A national bank could be regarded as a "committee" under act authorizing municipalities to construct and maintain flood control systems, and placing the construction of a public work under the supervision of a "board, commission, or committee," but bank's decision as to reasonableness of agreed price for land needed for project is not final. Acts 1935, c. 68. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Levees And Flood Control ⟹ 8

3. Leases

Generally, a municipality may lease property which it holds in its proprietary capacity but the power to lease does not include the power to discriminate against members of a minority race in the exercise of their constitutional rights. U.S.C.A.Const. Amends. 11-15. Lawrence v. Hancock, 1948, 76 F.Supp. 1004. Constitutional Law ⟹ 220.5(1)

Where municipality constructed swimming pool with public funds under statutory authority, the municipality, if pool is operated must operate it itself or, if leased, must see that pool is operated without discrimination against citizens on account of race or color. Code W.Va. 8-4A-1 et seq., 8-4A-21, 8-14-1 et seq., 13-1-8, 13-1-22; U.S.C.A.Const. Amend. 14. Lawrence v. Hancock, 1948, 76 F.Supp. 1004. Constitutional Law ⟹ 217(3)

Where city constructed swimming pool with public funds and leased pool to private association without consideration under lease which did not permit association to make profits from operation of pool but required it to use all net revenue to improve and develop pool and to provide additional recreational facilities, city could not by such lease relieve itself of obligation to see that constitutional right of all citizens to equal protection of law in use of pool was preserved. Code W.Va. 8-4A-1 et seq., 8-14-1 et seq., 13-1-8, 13-1-22; Const. U.S.C.A.Amend. 14. Lawrence v. Hancock, 1948, 76 F.Supp. 1004. Municipal Corporations ⟹ 721(3)

4. Injunctive relief

Injunction would not lie to restrain enforcement of municipal ordinance transferring control of city's floodwall system from board to another local agency; municipality was authorized by statute to maintain control over municipal public works, including flood control systems and flood walls, petition for injunction did not indicate that ordinance would cause irreparable injury, and declaratory judgment action would be adequate remedy at law. Code, 8-16-1, 8-16-2, 8-16-4. Perdue v. Ferguson, 1986, 350 S.E.2d 555, 177 W.Va. 44. Injunction ⟹ 85(1)

§ 8-16-4a. Additional special provisions as to motor vehicle parking facilities

(a) The legislature hereby finds that the greatly increased use by the public of motor vehicles of all kinds has caused serious traffic congestion on the streets of many municipalities in this State; that the lack of adequate planning and supervision of the location of parking facilities, the parking of motor vehicles of all kinds and the lack of adequate parking facilities for motor vehicles of all kinds substantially impede the free circulation of traffic in, through and from many municipalities in this State, impede the rapid and effective fighting of fires and disposition of police officers therein, contribute to the location and relocation of commercial and business enterprises outside of urban areas and retard the development of commerce and business within many municipalities in this State, thereby giving rise to urban blight and adversely affecting or threatening to adversely affect the tax base of such municipalities; that such parking crisis can be reduced by such municipalities providing adequate motor vehicle parking facilities strategically located there; that providing properly located terminal space for motor vehicles is a public responsibility; that fostering the development of commerce and business within municipalities, with the increased tax revenues resulting therefrom, is a public purpose; that fostering the availability of property for charitable use is a public purpose; that the closer the proximity between municipally owned motor vehicle parking facilities and commercial and business establishments the greater the development of commerce and business and the greater the level of revenue produced by such motor vehicle parking facilities; that the erection or construction of pedestrian viaducts, ramps, bridges, tunnels or other pedestrian facilities leading to and from motor vehicle parking facilities so as to facilitate the movement of pedestrians to and from such motor vehicle parking facilities fosters the development of commerce and business and increases the level of revenue produced by such motor vehicle parking facilities; that the leasing, particularly on a long-term basis, and the selling of space for commercial or business use in connection with a municipally owned motor vehicle parking facility will aid the development of commerce and business, increase the level of revenue produced by such motor vehicle parking facility and maintain and increase the tax base of such municipalities; that in many instances the authority for the leasing of space as provided for in this section would assist in financing the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment or repair (including replacements) of such motor vehicle parking facility; that the enactment of this section is for the general welfare of the public and is a public necessity; and that the means and measures authorized in this section are, as a matter of public policy, for

public purposes of such municipalities. This section is enacted in view of these findings and shall be liberally construed in the light thereof.

(b) The governing body or bodies, in its or their discretion, may provide by ordinance or ordinances:

(1) For the leasing by the board as lessor of space in or on a municipal public works which is a motor vehicle parking facility for any business, commercial or charitable use to such person, for such fair and adequate consideration, for such period or periods of time and upon such other terms and conditions as such body or bodies or the board may agree to. In connection with the leasing of any such space, the board may agree to provide in or on such motor vehicle parking facility such structures, accommodations or improvements as may be necessary for such business, commercial or charitable use or such space may be leased upon condition that the lessee shall provide the same in or on the space so leased.

(2) For the leasing by the board as lessor or the selling of air space over a municipal public works which is a motor vehicle parking facility for any business, commercial or charitable use to such person, for such fair and adequate consideration, for such period or periods of time in the case of a lease and upon such other terms and conditions as such body or bodies or the board may agree to. Any lease or deed of sale of such air space may contain provisions (i) authorizing the use of such areas of the underlying motor vehicle parking facility as are essential for ingress and egress to and from such air space, (ii) relating to the support of any building or other structure to be erected in such air space, and (iii) relating to the connection of essential public or private utilities to any building or other structure in such air space.

(3) For the erection or construction by the board of any pedestrian viaduct, ramp, bridge, tunnel or other pedestrian facility leading to and from a municipal public works which is a motor vehicle parking facility; and any such pedestrian viaduct, ramp, bridge, tunnel or other pedestrian facility shall, for all purposes of this article, be considered to be a part of a municipal public works which is a motor vehicle parking facility with like effect as if the term "municipal public works" were expressly defined in section one of this article to include pedestrian viaducts, ramps, bridges, tunnels or other pedestrian facilities: Provided, That any cost incurred by any municipality or municipalities in erecting or constructing any such pedestrian viaduct, ramp, bridge, tunnel or other pedestrian facility which connects a municipal public works which is a motor vehicle parking facility with a privately owned building or buildings or other privately owned structure or structures shall be paid for by the owner or owners of such building or buildings or such other structure or structures.

Any such lease may be privately negotiated without any public notice or advertising, and any such sale may be a public sale pursuant to the provisions of section eighteen, article twelve of this chapter or such sale may be privately negotiated, notwithstanding the provisions of said section eighteen.

(c) The proceeds received from any lease, sale or payment as provided in this section shall be deemed revenue of the works and used as provided in section seventeen of this article.

(d) Notwithstanding the fact that any motor vehicle parking facility subject to the provisions of this article is municipally owned and the fact that a lease or sale under the provisions of subdivision (1) or subdivision (2), subsection (b) of this section is for a public purpose as declared in subsection (a) of this section, any leasehold interest under said subdivision (1), and any building, structure, accommodation or improvement erected, made or operated in any air space leased or sold under said subdivision (2) shall be subject to all property taxes, which shall be assessed and imposed against the lessee or grantee, as the case may be, unless the use of such leasehold interest, building, structure, accommodation or improvement is otherwise exempt from property taxation under the provisions of section nine, article three, chapter eleven of this code.

Acts 1971, c. 99.

Library References

Key Numbers

Municipal Corporations ⟹268.

Westlaw Key Number Search: 268k268.

Notes of Decisions

Condemnation 3
Powers of legislature 2
Validity 1

1. Validity

West Virginia statute authorizing municipalities to lease space in municipally owned parking facilities to private interests, as construed by the West Virginia Supreme Court to authorize sale or lease to private interests of ancillary or incidental space which has as its primary and dominant purpose the conferring of benefits on the public generally, is constitutional on its face and West Virginia law provides adequate means to assure against unconstitutional application should private purpose utilization be allowed to advance beyond the threshold of incidental use. 28 U.S.C.A. §§ 2201, 2202; Code W.Va. 8-16-4a; U.S.C.A.Const. Amend. 14. Washington-Summers, Inc. v. City of Charleston, 1977, 430 F.Supp. 1013. Municipal Corporations ⟹ 722

Exemption from taxation of municipally owned parking facility, some of whose space was being leased to private business, and the bonds and interest which financed the facility did not violate constitutional limitation on exemption from taxation or constitutional requirement that taxation be uniform. Code, 8-16-4a(a); Const. art. 10, §§ 1, 9. State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 877. Taxation ⟹ 193

City's operation of parking facility in which a portion of the parking space was devoted to private business did not violate the State or Federal Constitutions on theory that such facilities were in competition with private persons providing the similar service, thus denying equal protection and taking property for private purposes. Code, 8-16-4a(a); Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 877. Constitutional Law ⟹ 234.6

Statute, which authorizes the creation of municipal parking authorities and which allows the leasing of space within municipal parking lots to private concerns, does not violate state constitutional provisions relating to uniformity of taxation and exemption of certain items from taxation nor does it violate the due process or equal protection guarantees of the State or Federal Constitutions. Code, 8-16-4a(a); Const. art. 3, §§ 9, 10, art. 5, §§ 1, 5; U.S.C.A.Const. Amend. 14. State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 87[illegible] Constitutional Law ⟹ 234.6

If any municipal parking facility project is challenged on the constitutional grounds of lack of "public purpose", court must look to the expansive definition of "public purpose" and evaluate the project in terms of the necessity of commercial sale or leasing of space to finance the facility, the degree to which the facility will enhance or implement any plan of urban de[illegible]

opment, and the degree to which the proposed project will enhance the public policy of encouraging economic development and expansion of industry and commerce. Code, 8-16-4a(a). State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 877. Municipal Corporations ⟹ 267

Although municipally owned parking facility designed for an acknowledged public purpose is constitutional, even though it confers ancillary and incidental benefits upon private persons, a municipally owned parking facility which has, as its primary and dominant purpose, the conferring of private benefits, with only ancillary public benefits, would be an unconstitutional use of the authority conferred on municipalities by the legislature. Code, 8-16-4a(a). State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 877. Municipal Corporations ⟹ 267

2. Powers of legislature

Public parking is among the public purposes on which the legislature may direct or authorize government action. Code, 8-16-4a(a). State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 877. States ⟹ 21

Legislature was entitled to delegate power to municipal corporation to determine the amount of space in a public parking facility which would be leased or sold to private business, commercial or charitable uses, subject to the constitutional limits on a municipality's discretion. Code, 8-16-4a(a). State ex rel. City of Charleston v. Coghill, 1973, 207 S.E.2d 113, 156 W.Va. 877. Constitutional Law ⟹ 63(2)

3. Condemnation

A finding that a public condemnor has the right to take property for purposes stated in petition for commencement of condemnation proceedings and enter the property is immediately appealable. Code W.Va. 8-16-4a, 54-2-2, 54-2-5, 54-2-14. Washington-Summers, Inc. v. City of Charleston, 1977, 430 F.Supp. 1013. Eminent Domain ⟹ 253(2)

Failure of petition for commencement of condemnation proceedings to state all uses for which property is intended may be ground for denying the petition. Code W.Va. 8-16-4a, 54-2-2, 54-2-5, 54-2-14. Washington-Summers, Inc. v. City of Charleston, 1977, 430 F.Supp. 1013. Eminent Domain ⟹ 191(3)

§ 8-16-4b. Additional special provision as to the use of space in motor vehicle parking facilities

For all purposes of this article, the power and authority of any municipality to lease, as lessor, space in a motor vehicle parking facility to any person for business, commercial or charitable use shall be deemed to include the power and authority to lease such space to the United States of America, the State of West Virginia, the county court of any county of the State of West Virginia, and any agency, board or commission of any thereof, and the revenues derived from such leases may be pledged as security for and expended in payment of revenue bonds of such municipality in like manner and to the same extent as other revenues from such motor vehicle parking facility.

Acts 1974, c. 47.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

PART III—GENERAL POWERS AND AUTHORITY

§ 8-16-5. Powers of board

The board shall have plenary power and authority to take all steps and proceedings, and to make and enter into all contracts or agreements necessary, appropriate, useful, convenient or incidental to the performance of its duties and the execution of its powers and authority under this article: Provided, That contract or agreement relating to the financing, or the construction,

reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment, operation or maintenance of any such works, and any trust indenture with respect thereto as hereafter provided for, shall be approved by the governing body or bodies.

The board may employ engineers, architects, inspectors, superintendents, managers, collectors, attorneys and such other employees as in its judgment may be necessary in the execution of its powers and duties, and may fix their compensation, all of whom shall do such work as the board may direct. All compensation and expenses incurred in carrying out the provisions of this article shall be paid solely from funds provided under the authority of this article, and the board shall not exercise or carry out any power or authority herein given it so as to bind said board or any municipality beyond the extent to which money shall have been, or may be provided under the authority of this article.

No contract or agreement with any contractor or contractors for labor or materials, or both, exceeding in amount the sum of ten thousand dollars, shall be made without advertising for bids, which bids shall be publicly opened and an award made to the lowest responsible bidder, with power and authority in the board to reject any and all bids.

After the construction, reconstruction, establishment, acquisition, renovation or equipment of any such works, the board shall maintain, operate, manage and control the same, and may order and complete any improvements, extensions, enlargements, increase or repair (including replacements) of and to the works that the board may consider expedient, if funds therefor be available, or are made available, as provided in this article, and shall establish rules for the use, maintenance and operation of the works, and do all things necessary or expedient for the successful operation thereof, and for stormwater systems and associated stormwater management programs, those activities which include but are not limited to, stormwater and surface runoff water quality improvement activities necessary to comply with all federal and state requirements. All public ways or public works damaged or destroyed by the board in carrying out its authority under this article shall be restored or repaired by the board and placed in their original condition, as nearly as practicable, if requested so to do by proper authority, out of the funds provided under the authority of this article.

Acts 1935, c. 68, § 4; Acts 1969, c. 86; Acts 1998, c. 214, eff. 90 days after March 1, 1998; Acts 2001, c. 212, eff. 90 days after April 14, 2001.

Library References

Key Numbers
Municipal Corporations ⚷328.
Westlaw Key Number Search: 268k328.

Encyclopedias
C.J.S. Municipal Corporations §§ 1027, 1029.

§ 8–16–6. Preliminary expenses

All necessary preliminary expenses actually incurred by the board of municipality or municipalities in the making of surveys or estimates of cost

of revenues, employment of engineers or other employees, the giving of notices, the taking of options, and all other expenses of whatsoever nature necessary to be paid prior to the issue, sale and delivery of the revenue bonds herein provided for, may be paid by the municipality or municipalities, to be reimbursed and repaid out of the proceeds of the sale of such revenue bonds to be used for the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment or repair (including replacements) of such works as hereinafter provided.

Acts 1935, c. 68, § 5; Acts 1969, c. 86.

§ 8-16-7. Ordinance for construction, etc., of works

Before any municipality or municipalities shall, under the provisions of this article, construct, reconstruct, establish, acquire, improve, renovate, extend, enlarge, increase, equip or repair (including replacements) any municipal public works, the governing body, or the governing body of each participating municipality, shall enact an ordinance or ordinances, which shall (a) set forth a brief and general description of the works, including a reference to the preliminary report or plans and specifications which shall theretofore have been prepared; (b) set forth the estimated cost thereof; (c) order the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment or repair (including replacements) of such works; (d) direct that municipal revenue bonds be issued pursuant to this article, in such amount as may be found necessary to pay the cost of the works; (e) contain such provisions as the governing body determines are necessary or desirable with regard to the establishment and setting aside of reserves from the proceeds of such revenue bonds or from the revenues of said works, or from both, and the administration and disposition thereof; and (f) contain such other provisions as may be necessary or proper in the premises. When two or more municipalities take joint action under the provisions of this article, a certified copy of each such ordinance shall be filed in the office of the clerk of the county commission of the county or counties in which the municipalities are located and in the office of the state tax commissioner, and when any such municipality is located in more than one county, the filing for that municipality shall be in the office of the clerk of the county commission in which the major portion of the territory of such municipality is located. Before any such ordinance shall become effective, an abstract of the ordinance, determined by the governing body or each governing body, as the case may be, to contain sufficient information as to give notice of the contents of such ordinance, together with the following described notice, shall be published as a Class II legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for such publication shall be such municipality or each such municipality, as the case may be. The notice to be published with said abstract of the ordinance shall specify a date, time and place for a public hearing, the date being not less than ten days after the first publication of said abstract and notice and not prior to the last publication of

said abstract and notice, at which time and place all parties and interest may appear before the governing body of the municipality or each such municipality and may be heard as to whether or not said ordinance shall be put into effect, and said notice shall also identify the office in which a certified copy of such ordinance shall be on file for review by interested persons during the office hours of such office. At such hearing all objections and suggestions shall be heard and the governing body or each such governing body shall take such action as it or they shall deem proper in the premises: Provided, That if at any such hearing written protest is filed by thirty percent or more of the freeholders of the municipality for which the hearing is held, then the governing body of said municipality shall not take further action unless four fifths of the members of said governing body assent thereto: Provided, however, That in case written protest is filed by thirty percent or more of the freeholders as herein provided, any such governing body shall have authority to appoint a committee to consist of one proponent, one opponent, and the third to be selected by these two, to determine whether or not thirty percent of the freeholders have in fact protested and said committee shall report its findings to any such governing body.

Acts 1935, c. 68, § 6; Acts 1967, c. 105; Acts 1969, c. 86; Acts 1971, c. 193; Acts 1973, c. 89; Acts 1981, 1st Ex. Sess., c. 2.

Library References

Key Numbers

Municipal Corporations ⚷300.
Westlaw Key Number Search: 268k300.

Encyclopedias

C.J.S. Municipal Corporations § 991.

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1. Purposes of ordinances

The purpose of ordinances required by statute authorizing municipalities to establish and maintain municipal public works and defray cost thereof by issuing revenue bonds is to inform residents and taxpayers of the municipalities concerning outlay by them and expected returns from special assessment to be laid pursuant to the statute. Acts 1935, c. 68. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Municipal Corporations ⚷ 301

2. Cost information

Municipal ordinances relating to flood wall project, which set forth the estimated cost of the proposed work to the city, but not the total cost of the project including that assumed by federal government, sufficiently complied with statute requiring such a municipal ordinance to set forth the estimated cost thereof. Acts 1935, c. 68, § 6. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Levees And Flood Control ⚷ 12

The statute requiring municipal ordinance authorizing construction of public work to set forth estimated cost thereof refers to the cost of the proposed work to the municipality, and not to other contributions. Acts 1935, c. 68, § 6. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Municipal Corporations ⚷ 303(1)

3. Repeal of ordinance

Referendum attempting repeal of city ordinance authorizing the issuance of bonds for construction of an incinerator plant under act authorizing municipalities to issue revenue bonds for construction or maintenance of municipal public works, could not affect the validity of the ordinance when questioned for other reasons by bondholders. Code, 8-4A-1 et seq. State ex rel. Klostermeyer v. City of Charleston, 1947, 45 S.E.2d 7, 130 W.Va. 4[illegible], 175 A.L.R. 637. Municipal Corporations ⚷ 108.1

PART IV—RIGHT OF EMINENT DOMAIN

§ 8-16-8. Right of eminent domain

Every such municipality shall have plenary power and authority to condemn any such municipal public works to be acquired, and any land, rights, easements, rights-of-way, franchises and other property, real or personal, deemed necessary, appropriate, useful or convenient for, and incidental to, the construction, reconstruction or establishment of any such works and space for business, commercial or charitable use in connection therewith, or for the improvement, renovation, extension, enlargement, increase or equipment thereof or thereto, and in connection therewith shall have and may exercise all the rights, power, authority and privileges of eminent domain granted to municipalities under the laws relating thereto. Title to property shall be taken in the name of the municipality or jointly in the names of the participating municipalities. Proceedings for such appropriation of property shall be under and pursuant to chapter fifty-four of this code: Provided, That any such municipality shall be under no obligation to accept and pay for any property condemned, and shall in no event pay for any property condemned or purchased, except from funds provided under the authority of this article; and in any proceedings to condemn, such orders may be made as may be just to any such municipality and to the owners of the property to be condemned; and an understanding or other security may be required securing such owners against any loss or damage which may be sustained by reason of the failure of any such municipality to accept and pay for the property, but such undertaking or security shall impose no liability upon any such municipality, except such as may be paid from the funds provided under the authority of this article.

In the event of acquisition by purchase, the board may obtain and exercise an option from the owners of said property for the purchase thereof, and may enter into a contract for the purchase thereof, and such purchase may be made upon such terms and conditions, and in such manner as the board may deem proper: Provided, however, That the exercise of such option, or the contract for such purchase, or such purchase shall in no event create any obligation of any such municipality, or create any debt, liability or claim, except such as may be discharged or paid from the funds provided under the authority of this article.

In the event of the acquisition of any works already constructed by purchase or condemnation, the board at or before the time of the adoption of any ordinance described in section seven hereof, shall cause to be determined what reconstruction, improvement, renovation, extension, enlargement, increase, equipment or repair (including replacements) will be necessary, in order that such works and space for business, commercial or charitable use in connection therewith, if any, may be effective for their purpose, and an estimate of the cost thereof shall be included in the estimate of the cost required by section seven hereof, and the same shall be made upon the acquisition of the works and as a part of the cost thereof: Provided further, That no municipality or municipalities shall, under the authority conferred by this article, condemn any existing

privately owned works (other than motor vehicle parking facilities) in operation at the date of the condemnation.

Acts 1935, c. 68, § 7; Acts 1969, c. 86; Acts 1971, c. 99.

Library References

Key Numbers
Eminent Domain ⟹18.
Westlaw Key Number Search: 148k18.

Encyclopedias
C.J.S. Eminent Domain §§ 51, 54.

PART V—REVENUE BOND FINANCING

§ 8-16-9. Bonds for improvements, etc., of works

Whenever any municipality or municipalities now, or hereafter, shall own and maintain and operate any of the works herein referred to, whether constructed, reconstructed, established or acquired under the provisions of this article or not, and shall desire to improve, renovate, extend, enlarge, increase, equip or repair (including replacements) the same, it may issue revenue bonds, under the provisions of this article, to pay for the same, and the procedure therefor, including fixing all rates and the computation of the amount thereof, shall be the same as in this article provided for the issuance of bonds for the construction, reconstruction, establishment or acquisition of any such works in or by any such municipality which has not theretofore owned and maintained and operated any such works: Provided, That no existing obligations or rights shall be affected or impaired thereby.

Acts 1935, c. 68, § 8; Acts 1969, c. 86.

Library References

Key Numbers
Municipal Corporations ⟹911.
Westlaw Key Number Search: 268k911.

Encyclopedias
C.J.S. Municipal Corporations § 1649.

Notes of Decisions

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1. Construction and application

Building that was to be acquired and owned by Charleston Building Commission but leased to state was a "municipal public work" for purposes of revenue bond financing statutes. Code, 8-16-1. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 911

2. In general

The proceeds of a series of general obligation bonds of city of Grafton issued for purpose of defraying part of expense of completing construction and equipment of a hospital owned by municipality, residue of which expense was paid from sale of revenue bonds could be used for such purpose. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 65. Municipal Corporations ⟹ 911

City of Wheeling held authorized to issue bonds for constructing bridge across river within corporate limits (Acts 1923, c. 14; Charter of City of Wheeling, §§ 31, 83, 84). State v. Sta[illegible] 1928, 145 S.E. 602, 106 W.Va. 325. Municipal Corporations ⟹ 911

3. Funding sources

Fines generated by a municipal court may be dedicated to retire a debt created for a bond issue for not more than twenty years which finances the construction of a municipal bu[illegible]

ing to the extent that said municipal building constitutes a jail or facility, the use or establishment of a jail which houses municipal prisoners. Magro, Op.Atty.Gen., June 7, 1988.

4. Validity of bonds

The validity of municipal revenue bonds issued by city of Grafton, the proceeds of which were to be used toward completion of hospital owned by city, was not impaired by fact that funds derived from general taxation, or from other sources, also had been, and were to be, used in construction of the hospital. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935 c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 911

5. Calling of bonds

Portion of city's ordinance requiring city to call revenue bonds it issued when a certain surplus existed in sinking fund from which payments were to be made was invalid. Code, 8-16-9 et seq., 8-16-12. City of Fairmont v. Investors Syndicate of America, Inc., 1983, 307 S.E.2d 467, 172 W.Va. 431. Municipal Corporations ⟹ 953

§ 8-16-10. Items of expense included in cost of works

The cost of the works shall be deemed to include the cost of construction, reconstruction, establishment or acquisition thereof, the cost of all land, rights, easements, rights-of-way, franchises and other property, real or personal, deemed necessary, appropriate, useful, convenient or incidental therefor or thereto and for the improvement, renovation, extension, enlargement, increase, equipment or repair (including replacements) determined upon; the interest upon bonds prior to and during the project and for six months after completion thereof; the amount of any reserve funded from the proceeds of bonds; engineering and legal expenses; expenses for estimates of cost and of revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expenses; and such other expenses as may be necessary or incident to the financing herein authorized, the project, the placing of the works in operation and the performance of the things herein required or permitted in connection with any thereof.

Acts 1935, c. 68, § 9; Acts 1969, c. 86; Acts 1973, c. 89.

Library References

Key Numbers

Municipal Corporations ⟹950(15).
Westlaw Key Number Search: 268k950(15).

Encyclopedias

C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 8-16-11. No municipality is to incur any obligation not payable from proceeds of bonds; exemption from taxation

Nothing in this article contained shall be so construed as to authorize or permit any municipality or municipalities to make any contract or incur any obligation of any kind or nature, except such as shall be discharged or payable solely from the funds provided under the authority of this article. Funds for the payment of the entire cost of the works shall be provided by the issuance of revenue bonds of the municipality or municipalities, the principal and interest which bonds shall be payable solely from the special fund for such payment herein provided for, and said bonds shall not in any respect be a corporate indebtedness of such municipality or municipalities. All such bonds and the interest thereon, and all properties and revenues and income derived from such

municipal public works, shall be exempt from all taxation by this State, or any county, municipality, political subdivision or agency thereof. All of the details of such bonds and the issuance thereof shall be determined by ordinance of the governing body or bodies.

Acts 1935, c. 68, § 10; Acts 1969, c. 86.

Library References

Key Numbers

Municipal Corporations ⟹950(15).
Taxation ⟹218.
Westlaw Key Number Searches: 268k950(15); 371k218.

Encyclopedias

C.J.S. Municipal Corporations §§ 1708 to 1709.
C.J.S. Taxation § 260.

Notes of Decisions

Constitutional provisions 1

1. Constitutional provisions

State Constitution's prohibition against incurring excessive debt by municipal corporations was not violated by Charleston Building Commission's proposal to finance acquisition of building to be leased to state through issuance of bonds or certificates of participation. Const. Art. 10, § 8; Code, 8-33-5. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹864(3)

Provision of State Constitution prohibiting state from contracting debt except under certain circumstances is not designed to prohibit state or state's agencies from issuing revenue bonds that are to be liquidated from contracts requiring rental payments from another state agency or from contracts for necessary services such as utilities; nor does that constitutional provision preclude issuance of revenue bonds which are to be redeemed from special fund. Const. Art. 10, § 4. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. States ⟹148

§ 8-16-12. Interest rate and life of bonds; redemption; how payable; form, denominations, etc.; additional bonds authorized; interim certificates

Such revenue bonds shall bear interest at not more than twelve percent per annum, payable semiannually, or at shorter intervals, and shall mature at such time or times, not exceeding forty years, as may be determined by the ordinance or ordinances authorizing the issuance of such bonds. Such bonds may be made redeemable before maturity, at the option of the municipality or municipalities issuing the same, to be exercised by said board, at not more than the par value thereof, and at a premium of not more than five percent, under such terms and conditions as may be fixed by the ordinance or ordinances authorizing the issuance of the bonds. The principal and interest of the bonds may be made payable in any lawful medium. Such ordinance or ordinances shall determine the form of the bonds, either coupon or registered, shall set forth any registration or conversion privileges, and shall fix the denomination or denominations of such bonds, and the place or places of the payment of the principal and interest thereof, which may be at any banking institution or trust company within or without the State. When two or more municipalities act in joint action under the provisions of this article, the bonds shall be issued by the participating municipalities either as separate or joint bonds, as the governing bodies thereof may agree, and when separate bonds are issued, the amount of the bonds to be issued by each participating municipality shall be fixed by agreement of the governing bodies of the participating municipalities set for

in the ordinance of each participating municipality authorizing the issuance of such bonds. The bonds shall contain a statement on their face that the municipality or municipalities issuing the same shall not be obligated to pay the same, or the interest thereon, except from the special fund derived from the net revenue of the works, or the pro rata part thereof, as provided for in section eleven hereof. All such bonds shall be, and shall have and are hereby declared to have all the qualities and incidents of negotiable instruments, under the Uniform Commercial Code of this State. The bonds shall be executed in such manner as the governing body or bodies may direct. The bonds shall be sold by the governing body or bodies in such manner as may be determined to be for the best interest of the municipality or municipalities: Provided, That said bonds shall not be negotiated at a price lower than a price which when computed to maturity upon standard tables of bond values will show a net return of more than thirteen percent per annum to the purchaser upon the amount paid therefor. Any surplus of the bond proceeds over and above the cost of the project shall be paid into the sinking fund hereinafter provided for. If the proceeds of the bonds, by error of calculation or otherwise, shall be less than the cost of the project, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the ordinance or ordinances authorizing the issuance of the bonds first issued, or in the trust indenture hereinafter authorized, shall be deemed to be of same issue, and shall be entitled to payment without preference or priority of the bonds first issued; and if any preference or priority of the bonds first issued is provided for in the ordinance or ordinances authorizing the issuance of the bonds first issued or in said trust indenture, such preference or priority shall not extend to an amount exceeding ten percent of the original issue. Prior to the preparation of the definitive bonds, interim certificates may, under like restrictions, be issued, exchangeable for definitive bonds upon the issuance of the latter.

Acts 1935, c. 68, § 11; Acts 1969, c. 86; Acts 1970, c. 7; Acts 1980, c. 33; Acts 1981, 1st Ex. Sess., c. 2.

Library References

Key Numbers
Municipal Corporations ⟹922.
Westlaw Key Number Search: 268k922.

Notes of Decisions

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1. Constitutional provisions

Revenue bonds and interest coupons provided for by city ordinance providing for construction of proposed bridge and tunnel facility did not constitute an "indebtedness" of city or State Road Commission within meaning of section of the constitution limiting bonded "indebtedness" of municipalities. Code, 17-17-30 et seq.; Const. art. 10, § 8. State ex rel. Anderson v. Dailer, 1955, 85 S.E.2d 656, 140 W.Va. 513. Municipal Corporations ⟹ 916

Under statute providing that bonds issued or given as security in connection with construction of a toll bridge will be payable solely out of revenues of such bridge, where each bond contained a provision to effect that municipality was not obligated to pay bond or interest thereon except from net revenues of bridge, and that

credit or taxing power of the municipality was not deemed to be pledged, the bond issue was not violation of the constitutional limitation on the bonded indebtedness of a municipality. Code, 17–17–32, 33; Const. Art. 10, § 8. State ex rel. Knight v. Hanway, 1951, 67 S.E.2d 1, 136 W.Va. 219. Municipal Corporations ⟹ 916

2. In general

City located on or near state boundary and confronted with necessity of purchasing property and erecting sewage disposal plant in adjoining state held authorized under statute to issue revenue bonds payable solely from revenues of such plant. Acts 1933, 1st Ex.Sess., c. 25, as amended by Acts 1933, 2d Ex.Sess., c. 48. Bernard v. City of Bluefield, 1936, 186 S.E. 298, 117 W.Va. 556. Municipal Corporations ⟹ 919

Provisions of statute relating to issuance of municipal bonds constitute integral parts of bonds regardless of whether included therein (Acts 1933 [1st Ex.Sess.] c. 25, §§ 9, 10, 16, 21). Brewer v. City of Point Pleasant, 1934, 172 S.E. 717, 114 W.Va. 572. Municipal Corporations ⟹ 923

That special tax rate may be insufficient to pay improvement bonds and interest held not to invalidate issue. Sexton v. Lee, 1925, 130 S.E. 437, 100 W.Va. 389. Municipal Corporations ⟹ 919

That special rate of tax levied to pay bonds may be insufficient to pay them and interest will not invalidate issue, in view of fact that bonds are to raise money to carry on improvement anticipatory of repayment to city by assessments against abutting property, as city, in view of Barnes' Code 1923, c. 47, § 49c(1)–49c(18), may rely to some extent on such payments. Sexton v. Lee, 1925, 130 S.E. 437, 100 W.Va. 389. Municipal Corporations ⟹ 919

3. Validity of ordinance

Portion of city's ordinance requiring city to call revenue bonds it issued when a certain surplus existed in sinking fund from which payments were to be made was invalid. Code, 8–16–9 et seq., 8–16–12. City of Fairmont v. Investors Syndicate of America, Inc., 1983, 307 S.E.2d 467, 172 W.Va. 431. Municipal Corporations ⟹ 953

4. Bond limits

In an ordinance the authorization of bonds not to exceed $6,000 is equivalent, in legal effect, to fixing the amount of such bonds at such sum. Knight v. Town of West Union, 1898, 32 S.E. 163, 45 W.Va. 194. Municipal Corporations ⟹ 917(1)

A municipal ordinance which authorizes the issuance of bonds for waterworks to an amount not exceeding $6,000 empowers the council to issue to the amount of $6,000, if necessary, for the purpose expressed in the ordinance, otherwise not. Knight v. Town of West Union, 1898, 32 S.E. 163, 45 W.Va. 194. Municipal Corporations ⟹ 916

5. Redemption

Only municipality, whose board can exercise option to redeem, can call bonds before maturity; it cannot, by its ordinance, give redemption decision to bondholders. Code, 8–16–12. City of Fairmont v. Investors Syndicate of America, Inc., 1983, 307 S.E.2d 467, 172 W.Va. 431. Municipal Corporations ⟹ 953

§ 8–16–13. Obligations not to bind municipal official or officer or member of board personally

No municipal official or officer or member of the board shall in any event be personally liable upon any contract or obligation of any kind or character executed under the authority herein contained, even if said undertaking should thereafter be held ultra vires.

Acts 1935, c. 68, § 12; Acts 1969, c. 86.

§ 8–16–14. Additional bonds for improvements, etc., of works

The governing body or bodies may provide by the said ordinance or ordinances authorizing the issuance of the bonds or in the trust indenture hereinafter referred to, that additional bonds may thereafter be authorized and issued at one time, or from time to time, under such limitations and restrictions as may be set forth in said ordinance or ordinances, or trust indenture, or all of these, for the purpose of improving, renovating, extending, enlarging, increasing, equipping or repairing (including replacements) the works when deemed neces-

sary in the public interest, such additional bonds to be secured, and be payable from the revenues of the works, as provided for in section nine of this article.

Acts 1935, c. 68, § 13; Acts 1969, c. 86.

§ 8-16-15. How proceeds of bonds applied

All moneys received from the sale of any bonds issued under the authority of this article, after reimbursements and repayments to said municipality or municipalities of all amounts advanced for preliminary expenses, as provided in section six of this article, shall be applied solely to the payment of the cost of the project, or to the appurtenant sinking fund, and there shall be, and there is hereby, created and granted a lien upon such moneys, until so applied, in favor of the holders of the bonds or the trustees hereinafter provided for.

Acts 1935, c. 68, § 14; Acts 1969, c. 86.

Library References

Key Numbers

Municipal Corporations ⟹950(15).
Westlaw Key Number Search: 268k950(15).

Encyclopedias

C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 8-16-16. Bonds secured by trust indenture between municipality or municipalities and corporate trustee

In the discretion and at the option of the governing body or bodies such bonds may be secured by a trust indenture by and between such municipality or municipalities and a corporate trustee, which may be a trust company or banking institution having powers of a trust company within or without the State. The ordinance or ordinances authorizing the issuance of the revenue bonds, and fixing the details thereof, may provide that such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of bondholders as may be reasonable and proper, not in violation of law, including covenants setting forth the duties of the municipality or municipalities and the board in relation to the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase and equipment of the project and the repair (including replacements), maintenance, operation and insurance thereof, and the custody, safeguarding and application of all moneys, and may provide that the project shall be contracted for, carried out and paid for, under the supervision and approval of the consulting engineers employed or designated by the board and satisfactory to the original bond purchasers, their successors, assignees or nominees, who may be given the right to require the security given by contractors and by any depository of the proceeds of bonds or revenues of the works or other moneys pertaining thereto be satisfactory to such purchasers, their successors, assignees or nominees. Such indenture may set forth the rights and remedies of the bondholders or such trustee, or both. Except as in this article otherwise provided, the governing body or bodies may provide by ordinance or ordinances or in such trust indenture for the payment of the proceeds of the sale of the bonds and the revenues of the works to such officer, board or depository, as such body or bodies may determine for the custody thereof, and for the method of distribu-

tion thereof, with such safeguards and restrictions as such body or bodies may determine.

Acts 1935, c. 68, § 15; Acts 1969, c. 86.

Library References

Key Numbers
Municipal Corporations ⟹919.
Westlaw Key Number Search: 268k919.

Encyclopedias
C.J.S. Municipal Corporations § 1661.

§ 8-16-17. Sinking fund; sinking fund commission; transfer of funds; purchase of outstanding bonds

Before the issuance of any such bonds, the governing body or bodies shall, by ordinance or ordinances, provide for a sinking fund for the payment of the bonds and the interest thereon, and the payment of the charges of banking institutions or trust companies for making payment of such bonds and interest, out of the net revenues of said works, and shall set aside and pledge a sufficient amount of the net revenues of the works hereby defined to mean the revenues of the works remaining after the payment of the reasonable expenses of repair (including replacements), maintenance and operation, such amount to be paid by the board into the sinking fund at intervals, to be determined by ordinance or ordinances adopted prior to the issuance of the bonds, for (a) the interest upon such bonds as such interest shall fall due; (b) the necessary fiscal agency charges for paying bonds and interest; (c) the payment of the bonds as they fall due, or if all bonds mature at one time, the proper maintenance of a sinking fund sufficient for the payment thereof at such time; and (d) a margin for safety and for the payment of premium upon bonds retired by call or purchase as herein provided, which margin, together with unused surplus of such margin carried forward from the preceding year and the amounts set aside as reserves out of the proceeds from the sale of the bonds, or from the revenues of said works, or from both, shall equal ten percent of all other amounts so required to be paid into the sinking fund. Such required payments shall constitute a first charge upon all the net revenues of the works. Prior to the issuance of the bonds, the board may, by ordinance or ordinances, be given the right to use or direct the trustee or the state sinking fund commission to use such sinking fund or any part thereof, in the purchase of any of the outstanding bonds payable therefrom, at the market prices thereof, but not exceeding the price, if any, at which the same shall in the same year be payable or redeemable, and all bonds redeemed or purchased shall forthwith be cancelled, and shall not again be issued. After the payments into the sinking fund as herein required and after reserving an amount deemed by the board sufficient for repair (including replacements), maintenance and operation for an ensuing period of not less than twelve months and for depreciation, the board may at any time in its discretion transfer all or any part of the balance of the net revenues into the sinking fund or into a fund for improvement, renovation, extension, enlargement, increase or equipment for or to the works, or the governing body or bodies may, notwithstanding the provisions of section twenty, article thirteen, this chapter, transfer all or any part of the balance of the net revenues to

general or any special fund of the municipality or municipalities and use such revenues for any purpose for which such general or special fund may be expended.

All amounts for the sinking fund and interest, as and when set apart for the payment of same, shall be remitted to the state sinking fund commission at such periods as shall be designated in the ordinance or ordinances, but in any event at least thirty days previous to the time interest or principal payments become due, to be retained and paid out by said commission consistent with the provisions of this article and the ordinance or ordinances pursuant to which such bonds have been issued. The state sinking fund commission is hereby authorized to act as fiscal agent for the administration of such sinking fund under any ordinance or ordinances passed or adopted pursuant to the provisions of this article and shall invest all sinking funds as provided by general law.

Acts 1935, c. 68, § 16; Acts 1969, c. 86; Acts 1971, c. 99; Acts 1973, c. 89.

Library References

Key Numbers

Municipal Corporations ⚷951.
Westlaw Key Number Search: 268k951.

Encyclopedias

C.J.S. Municipal Corporations §§ 1704 to 1705.

Notes of Decisions

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1. In general

City of Charleston was not authorized to transfer to general fund any monies in parking system revenue fund until all bonds and indebtedness in connection with parking system had been fully paid off and discharged. Code, §§ 8-13-20, 8-16-17, 8-16-20. State ex rel. City of Charleston v. Hutchinson, 1970, 176 S.E.2d 691, 154 W.Va. 585, rehearing denied. Municipal Corporations ⚷ 887

Where enabling act specified purposes for which revenue from operation of municipal parking system could be used, maxim expressio unius est exclusio alterius was applicable. Code, § 8-16-17. State ex rel. City of Charleston v. Hutchinson, 1970, 176 S.E.2d 691, 154 W.Va. 585, rehearing denied. Statutes ⚷ 195

PART VI—IMPOSITION OF RATES OR CHARGES

§ 8-16-18. Rates, fees or charges for services rendered by works

The governing body shall have plenary power and authority and it shall be its duty, by ordinance, to establish and maintain just and equitable rates, fees or charges for the use and services rendered, or the improvement or protection of property, not to include highways, road and drainage easements, and/or storm-water facilities constructed, owned and/or operated by the West Virginia Division of Highways, provided or afforded, by such works, to be paid by the person using the same, receiving the services thereof, or owning the property improved or protected thereby, and may readjust rates, fees or charges from time to time.

When two or more municipalities take joint action under the provisions of this article, the rates, fees or charges shall be established by each participating municipality, with the concurrence of the other participating municipality or

municipalities as to the amount of the rates, fees or charges, and such rates, fees or charges may be the same with respect to each municipality, or they may be different.

Rates, fees or charges heretofore or hereafter established and maintained for the improvement or protection of property, not to include highways, road and drainage easements, and/or stormwater facilities constructed, owned and/or operated by the West Virginia Division of Highways, provided or afforded by a municipal flood control system or flood walls, to be paid by the person owning the property improved or protected thereby, shall be collectible and enforceable from the time provided in any such ordinance, any provision of this or any other law to the contrary notwithstanding, if, at such time, such works, though not yet fully completed, are nearing completion and the governing body is reasonably assured that the works will be completed and placed in operation without unreasonable delay.

All rates, fees or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of repair (including replacements), maintenance and operation of the works, and for the payment of the sums herein required to be paid into the sinking fund.Revenues collected pursuant to the provisions of this section are considered the revenues of the works. No such rates, fees or charges shall be established until after a public hearing at which all the users of the works and owners of the property served, or to be served thereby, and others interested, shall have an opportunity to be heard concerning the proposed rates, fees or charges.

After introduction of the proposed ordinance fixing the rates, fees or charges and before the same is finally adopted, notice of such hearing, setting forth the proposed schedule of such rates, fees or charges, shall be given by publishing the same as a Class I-0 legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for the publication shall be such municipality or each such municipality, as the case may be. Said notice shall be published at least five days before the date fixed in such notice for the hearing, which hearing may be adjourned from time to time. No other or further notice to parties in interest shall be required.

After such hearing the ordinance establishing rates, fees or charges, either as originally proposed or introduced, or as modified and amended, shall be adopted and put into effect. A copy of the schedule of such rates, fees and charges so established shall be kept on file in the office of the board having charge of such works, and also in the office of the governing body or bodies and shall be open to inspection by all parties in interest.

The rates, fees or charges so established for any class of users or properties served shall be extended to cover any additional class of users or properties thereafter served which fall within the same class, without the necessity of a hearing or notice. Any change or adjustment of rates, fees or charges may be made in the same manner as such rates, fees or charges were originally established as provided in this section. The aggregate of the rates, fees

charges shall always be sufficient for the expenses of repair (including replacements), maintenance and operation, and for the sinking fund payments.

If any rate, fee or charge so established shall not be paid within thirty days after the same is due, the amount thereof, together with a penalty of ten percent and reasonable attorney's fees, may be recovered by the board in a civil action in the name of the municipality or municipalities, and in the case of rates, fees or charges due for services rendered, such rates, fees or charges, if not paid when due, may, if the governing body so provide in the ordinance provided for under section seven of this article, constitute a lien upon the premises served by such works, which lien may be foreclosed against such lot, parcel of land or building so served, in accordance with the laws relating to the foreclosure of liens on real property. Upon failure of any person receiving any such service to pay for the same when due, the board may discontinue such service without notice.

Acts 1935, c. 68, § 17; Acts 1949, c. 85; Acts 1967, c. 105; Acts 1969, c. 86; Acts 2001, c. 212, eff. 90 days after April 14, 2001.

Library References

Key Numbers

Municipal Corporations ⟹460, 530.
Westlaw Key Number Searches: 268k460; 268k530.

Encyclopedias

C.J.S. Municipal Corporations §§ 1260 to 1266, 1409.

Notes of Decisions

In general 1
Charges 2
Estoppel 5
Lien on land 3
Relief from assessments 4

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1. In general

A municipal special assessment for the cost of street paving laid under statute authorizing municipal authorities to provide for retirement of revenue bonds issued to pay for public works by imposing charges to be paid by persons using the work did not create a "contractual obligation" as against the owners of abutting lots that could be used as a basis of recovery in a notice of motion proceeding. Acts 1935, c. 68; Code 1931, § 56-2-6. City of Moundsville v. Brown, 1943, 25 S.E.2d 900, 125 W.Va. 779. Judgment ⟹ 184

Under statute authorizing municipalities to pay for public works by issuing revenue bonds secured by the revenues of such systems, creation and levying of special assessments for the cost of such works is an exercise of the state's taxing power notwithstanding that the cost thereof must be provided by means "other than taxation". Acts 1935, c. 68. City of Moundsville v. Brown, 1943, 25 S.E.2d 900, 125 W.Va. 779. Municipal Corporations ⟹ 406(1)

2. Charges

The word "charges", as used in statute authorizing municipal authorities to provide for retirement of revenue bonds issued to pay for public works by imposing charges to be paid by persons using the work or receiving the services thereof, includes a special assessment against realty. Acts 1935, c. 68, § 17. City of Moundsville v. Brown, 1943, 25 S.E.2d 900, 125 W.Va. 779. Municipal Corporations ⟹ 406(1).

3. Lien on land

The expense of a municipal public work project consisting of paving or repaving a municipal street may be prorated as to land abutting thereon, and such pro rata part of the expense may be made a lien on abutting land and a personal obligation of the owner thereof. Acts 1935, c. 68. City of Moundsville v. Brown, 1945, 34 S.E.2d 321, 127 W.Va. 602. Municipal Corporations ⟹ 465

4. Relief from assessments

Irregularities and errors and other like defenses in actions of city council connected with authorization of public works project, the construction thereof, and establishment of rates and charges thereunder could not be resorted to by property owners for relief against assessments after improvements had been made. Acts 1935, c. 68, §§ 6, 17. City of Moundsville

v. Brown, 1945, 34 S.E.2d 321, 127 W.Va. 602. Municipal Corporations ⟹ 319

5. Estoppel

Where property owners did not exercise opportunity to test validity of ordinance authorizing municipal public works or ordinance fixing rates and charges but stood by and permitted revenue bonds to be issued and sold, improvements to be made, and proceeds of bonds to be expended in payment thereof, without protest or objection, in suit by municipality to recover assessments, owners could be heard only on matters which, if established would render either proceedings having to do with construction of work or those establishing the rates absolutely void. Acts 1935, c. 68, §§ 6, 17. City of Moundsville v. Brown, 1945, 34 S.E.2d 321, 127 W.Va. 602. Municipal Corporations ⟹ 562(1)

§ 8-16-18a. Pledge of the hotel occupancy tax; contribution of revenues to building commission

In addition to the rates or charges authorized to be pledged and expended for the security and payment of bonds as provided in this article, the governing body issuing such bonds shall have plenary power and authority to pledge and expend for the security and payment of such bonds all, or any part, of the revenues which are derived from the hotel occupancy tax which a municipality may impose pursuant to section three, article thirteen of this chapter and which are specifically dedicated by such governing body for any purpose or purposes set forth in section three, article thirteen of this chapter. All such sums which are so pledged shall be deemed "revenues of the works" for all purposes of the provisions of this article. The governing body shall also have the power and authority to contribute all, or any part of, the revenues derived from said hotel occupancy tax to a building commission created by such governing body pursuant to article thirty-three, chapter eight of this code for such lawful purposes which such building commission shall determine and which are set forth in section three, article thirteen of this chapter, including payment of revenue bonds issued by such building commission.

Acts 1976, c. 82.

Library References

Key Numbers
Municipal Corporations ⟹919.
Westlaw Key Number Search: 268k919.

Encyclopedias
C.J.S. Municipal Corporations § 1661.

§ 8-16-19. Appeal to public service commission from rates fixed

If any party in interest is dissatisfied with the rates fixed under the provisions of the immediately preceding section of this article, such party shall have the right to appeal to the public service commission at any time within thirty days after the fixing of such rates by the governing body, but the rates so fixed by the governing body shall remain in full force and effect, until set aside, altered or amended by the public service commission.

Acts 1935, c. 68, § 18; Acts 1969, c. 86.

Library References

Key Numbers
Public Utilities ⟹146.
Westlaw Key Number Search: 317Ak146.

Encyclopedias
C.J.S. Public Utilities § 66.

PART VII—ACCOUNTING SYSTEM AND RECORDS

§ 8-16-20. Accounting system; yearly audit; custodian of funds

Any municipality or municipalities issuing revenue bonds under the provisions of this article shall install and maintain a proper system of accounting, showing the amount of revenues received and the application of the same, and the governing body or bodies shall, at least once a year, cause such accounts to be properly audited by a competent auditor, and the report of such auditor shall be open for inspection at all proper times to any taxpayer or resident of said municipality or municipalities, or person receiving service from said works, or any holder of bonds issued under the provisions of this article, or anyone acting for in behalf of such taxpayer, resident, person or bondholder. The treasurer of such municipality or each such municipality, or other official or institution specifically charged with the duty, shall be the custodian or custodians of the funds derived from income received from said works, and shall give proper bond or bonds for the faithful discharge of his or its or their duties as such custodian or custodians, which bond or bonds shall be fixed and approved by the governing body or bodies. All of the funds received as income from said works under the provisions of this article and all funds received from the sale of revenue bonds issued therefor shall be kept separate and apart from other funds of the municipality or municipalities, and separate accounts shall be maintained for the several items required to be set up by the provisions of section seventeen of this article.

Acts 1935, c. 68, § 19; Acts 1969, c. 86.

Library References

Key Numbers

Municipal Corporations ⚷885.
Westlaw Key Number Search: 268k885.

Encyclopedias

C.J.S. Municipal Corporations § 1629.

Notes of Decisions

In general 1

1. In general

City of Charleston was not authorized to transfer to general fund any monies in parking system revenue fund until all bonds and indebtedness in connection with parking system had been fully paid off and discharged. Code, §§ 8-13-20, 8-16-17, 8-16-20. State ex rel. City of Charleston v. Hutchinson, 1970, 176 S.E.2d 691, 154 W.Va. 585, rehearing denied. Municipal Corporations ⚷ 887

PART VIII—RATES OR CHARGES FOR MUNICIPALITIES

§ 8-16-21. Governmental entities to pay established rates, fees or charges for services rendered to it or them

(a) The municipality or municipalities issuing such bonds shall be subject to the same rates, fees or charges established as provided in this article, or to rates, fees or charges established in harmony therewith, for service rendered to the municipality or municipalities, and shall pay such rates, fees or charges, when due, from corporate funds, and the same shall be considered to be a part

of the revenues of the works as defined in this article, and may be applied as provided in this article, for the application of such revenue.

(b) The municipality or municipalities and any county, state and federal government served by the services of the stormwater system shall be subject to the same rates, fees or charges established as provided in this article for stormwater services, or to rates, fees or charges established in harmony therewith, for service rendered to the governmental entity and shall pay such rates, fees or charges, when due, from corporate funds, and the same is considered to be a part of the revenues of the works as defined in this article, and may be applied as provided in this article, for the application of such revenue. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements, and/or stormwater facilities constructed, owned and/or operated by the West Virginia Division of Highways without the express agreement of the commissioner of highways.

Acts 1935, c. 68, § 20; Acts 1969, c. 86; Acts 2001, c. 212, eff. 90 days after April 14, 2001.

Library References

Key Numbers

Municipal Corporations ⚷715.
Westlaw Key Number Search: 268k715.

Encyclopedias

C.J.S. Municipal Corporations § 1540.

PART IX—LIENS AND PROTECTION OF BONDHOLDERS

§ 8-16-22. Statutory mortgage lien upon works created

There shall be and there is hereby created and granted a statutory mortgage lien upon such municipal public works constructed, reconstructed, established, acquired, improved, renovated, extended, enlarged, increased, equipped or repaired (including replacements) under the provisions of this article, which shall exist in favor of the holder of said bonds, and each of them, and to and in favor of the holder of the coupons attached to said bonds, and such municipal public works shall remain subject to such statutory mortgage lien until payment in full of the principal of and interest upon said bonds.

Acts 1935, c. 68, § 22; Acts 1969, c. 86.

Library References

Key Numbers

Municipal Corporations ⚷950(15).
Westlaw Key Number Search: 268k950(15).

Encyclopedias

C.J.S. Municipal Corporations §§ 1708 to 1709.

Notes of Decisions

In general 1

1. In general

The proceeds of a series of general obligation bonds of city of Grafton issued for purpose of defraying part of expense of completing construction and equipment of a hospital owned municipality, residue of which expense was p from sale of revenue bonds could be used such purpose. Code 1931, 8-4A-1 et seq. enacted by Laws 1935, c. 68. Warden v. Gr

Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⚷ 911

A provision in ordinance of city of Grafton authorizing issuance of series of revenue bonds for completion of hospital building owned by city, which provides that bonds are to be a statutory mortgage lien on hospital when completed and on equipment and future additions thereto, and which pledges all of net profit from hospital for payment of the revenue bonds and interest thereon, is valid. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 8-4A-22, as added by Laws 1935, c. 68, § 22. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⚷ 917(1)

§ 8-16-23. Acquisition of property on which lien exists

No property shall be acquired under the provisions of this article upon which any lien or other encumbrance exists, unless at the time such property is acquired a sufficient sum of money be deposited in trust to pay and redeem such lien or encumbrance in full.

Acts 1935, c. 68, § 23; Acts 1969, c. 86.

§ 8-16-24. Protection and enforcement of rights of bondholders, etc.; receivership; effect of receivership on lease agreement

Any holder of any such bonds, or any of the coupons attached thereto, and the trustee, if any, except to the extent that the rights herein given may be restricted by the ordinance authorizing the issuance of the bonds or by the trust indenture, may by civil action, mandamus or other proper proceeding enforce the statutory mortgage lien created and granted in section twenty-two of this article, protect and enforce any and all rights granted hereunder or under any such ordinance or trust indenture, and may enforce and compel performance of all duties required by the provisions of this article or by any such ordinance or trust indenture to be performed by the municipality or municipalities, or by the board or any officer, including the making and collecting of reasonable and sufficient rates or charges for services rendered by the works. If there be default in the payment of the principal of or interest upon any of the bonds, or of both principal and interest, any court having jurisdiction shall appoint a receiver to administer the works on behalf of the municipality or municipalities, and the bondholders or trustee, or both, except as so restricted, with power to charge and collect rates or charges sufficient to provide for the payment of the expenses of repair (including replacements), maintenance and operation, and also to pay any bonds and interest outstanding, and to apply the income or other revenue in conformity with this article, and the said ordinance or trust indenture, or both, and the power herein provided for the appointment of a receiver and the administration by the court of the works on behalf of the municipality or municipalities, and the bondholders or trustee, or both, shall apply to cases where such works are operated by a lessee of the municipality or municipalities as well as to cases where works are operated by the municipality or municipalities. In case a receiver is appointed for works operated by a lessee of a municipality or municipalities, the lease agreement then existing between the municipality or municipalities and the lessee ipso facto thereby shall be terminated and all property, equipment, bills receivable and assets of every kind, used in connection with the operation of such works, shall pass to the receiver and upon the termination of such receivership, such works,

equipment, property, bills receivable and assets of every kind then in the hands of the receiver thereupon shall pass to the municipality or municipalities.

Acts 1935, c. 68, § 24; Acts 1937, c. 55; Acts 1969, c. 86.

Library References

Key Numbers

Municipal Corporations ⚷955(1).

Westlaw Key Number Search: 268k955(1).

Notes of Decisions

Mandamus 1

1. Mandamus

Duties of city council in discharging obligations of city under revenue bonds issued for construction of incinerator under act authorizing municipalities to issue revenue bonds for construction or maintenance of a municipal public works, were "administrative" and not "legislative", and therefore mandamus was a proper remedy to compel compliance with the act. Code, 8-4A-1 et seq., 8-4A-24. State ex rel. Klostermeyer v. City of Charleston, 1947, 45 S.E.2d 7, 130 W.Va. 490, 175 A.L.R. 637. Administrative Law And Procedure ⚷ 104

Holders of revenue bonds issued by city for construction of incinerator were not required to request city to comply with statute under which bonds were issued and to collect charges for incinerator service in plain violation of ordinance abolishing such charges, before bondholders could bring mandamus proceedings, since such requests of the city would be useless. Code, 8-4A-1 et seq. State ex rel. Klostermeyer v. City of Charleston, 1947, 45 S.E.2d 7, 130 W.Va. 490, 175 A.L.R. 637. Mandamus ⚷ 14(1)

Holders of revenue bonds issued by city for construction of incinerator were not barred from relief by mandamus to compel city to make charges for garbage collections on ground of delay or acquiescence in city's failure to make charges for garbage collections, where there was no alteration in position by the city because of such acquiescence or delay. Code, 8-4A-1 et seq. State ex rel. Klostermeyer v. City of Charleston, 1947, 45 S.E.2d 7, 130 W.Va. 490, 175 A.L.R. 637. Mandamus ⚷ 15

Mere payment of interest due on revenue bonds issued by city for construction of incinerator did not charge bondholders with knowledge that payments were being made from general revenue rather than from revenue from collection of garbage, and did not prevent bondholders from maintaining mandamus proceedings to compel city to comply with act under which bonds were issued, and to make charges for garbage collection. Code, 8-4A-1 et seq. State ex rel. Klostermeyer v. City of Charleston, 1947, 45 S.E.2d 7, 130 W.Va. 490, 175 A.L.R. 637. Mandamus ⚷ 15

Default by city in payment of interest charges or principal on bonds issued for construction of incinerator, was not first required to be shown before mandamus would lie to compel compliance by city with act under which the bonds were issued, in view of provision of the act with reference to future payment of principal by accumulation of a sinking fund which largely affected the market value of the bonds. Code, 8-4A-1 et seq. State ex rel. Klostermeyer v. City of Charleston, 1947, 45 S.E.2d 7, 130 W.Va. 490, 175 A.L.R. 637. Mandamus ⚷ 14(1)

PART X—CONSTRUCTION; EXTRATERRITORIAL JURISDICTION

§ 8-16-25. Article confers additional power and authority; extraterritorial jurisdiction

The power and authority herein granted shall be in addition to and not in derogation of any power and authority vested in any municipality under any constitutional, statutory or charter provisions which may now or hereafter be in effect. For all purposes of this article, municipalities shall have jurisdiction to ten miles outside of the corporate limits thereof, except where such zone would overlap with the zone of another municipality, in which event the meridian line of the overlapping zone shall be the dividing line of their respective jurisdiction

tions, except that one municipality shall have jurisdiction within such ten-mile zone and may overlap into the zone of another municipality or municipalities with the consent thereof.

Acts 1935, c. 68, § 25; Acts 1949, c. 86; Acts 1969, c. 86.

Library References

Key Numbers
Municipal Corporations ⟹277.
Westlaw Key Number Search: 268k277.

Notes of Decisions

In general 1

1. In general

The validity of municipal revenue bonds issued by city of Grafton, the proceeds of which were to be used toward completion of hospital owned by city, was not impaired by fact that funds derived from general taxation, or from other sources, also had been, and were to be, used in construction of the hospital. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935 c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 911

§ 8-16-26. Construction of power and authority conferred

This article shall, without reference to any other statute or charter provision, be deemed full authority for the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment, repair (including replacements), maintenance and operation of the works herein provided for, and for the issuance and sale of the bonds by this article authorized, and shall be construed as an additional alternative method therefor, and for the financing thereof, and no petition or other or further proceeding in respect to any such project, or to the issuance or sale of bonds under this article, and no publication of any ordinance, notice or proceeding relating to any such project, or to the issuance or sale of such bonds shall be required, except such as are prescribed in this article, any provisions of other statutes of the State to the contrary notwithstanding.

Acts 1935, c. 68, § 26; Acts 1969, c. 86.

§ 8-16-27. Article liberally construed

This article being necessary for the public health, safety and welfare shall be liberally construed to effectuate the purposes thereof.

Acts 1935, c. 68, § 27; Acts 1969, c. 86.

Notes of Decisions

In general 1

1. In general

The Legislature, in enacting Acts 1935, c. 68 a measure to promote public health, safety and welfare, intended it to have broad scope and wide application to public improvements beneficial to the public health, safety and welfare of municipalities in all sections of the State. State ex rel. Holbert v. Robinson, 1950, 59 S.E.2d 884, 134 W.Va. 524. Automobiles ⟹ 7

§ 8-16-28. Reference to "municipal authorities" or "municipal authority" elsewhere in law to mean "governing body" for the purposes of this article only

In elaboration of the provisions of section eight, article one of this chapter, wherever in this code, in any act, in general law, elsewhere in law, in any charter, in any ordinance, resolution or order, or in any ordinance, resolution or order of a county court, reference is made to the term "municipal authorities" or "municipal authority" within the meaning of the provisions of former article four-a of this chapter, such reference shall henceforth be read, construed and understood to mean "governing body" as that term is used in this article sixteen only.

Acts 1969, c. 86.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapters 8 to 10

2009
Cumulative Annual Pocket Part

Replacing 2008 Pocket Part supplementing 2002 Main Volume

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§ 8-15-25. Removal, discharge, suspension or reduction in rank or pay; hearing; attorney fees; appeal; reduction in number of members

Notes of Decisions

Just cause 3.5

3.5. Just cause

Firefighter's possession of cocaine provided just cause for city to terminate firefighter's employment; possession of cocaine cast doubt on firefighter's ability to perform the tasks inherent to his employment, which directly affected the rights and interests of the public. Giannini v. Firemen's Civil Service Com'n of City of Huntington, 2006, 640 S.E.2d 122, 220 W.Va. 59. Municipal Corporations ⇐ 198(2).

ARTICLE 15A

STANDARDS FOR PROFESSIONAL FIREFIGHTERS TRAINING; REGISTERED APPRENTICESHIP AND CERTIFICATION

§ 8-15A-1. Definitions

United States Code Annotated

Fire prevention and control, see 15 U.S.C.A. § 2201 et seq.

ARTICLE 16

MUNICIPAL PUBLIC WORKS; REVENUE BOND FINANCING

Part VII—Accounting System and Records.

Section

8-16-20. Accounting system; yearly audit; custodian of funds.

PART VII—ACCOUNTING SYSTEM AND RECORDS

§ 8-16-20. Accounting system; yearly audit; custodian of funds

Any municipality or municipalities issuing revenue bonds under the provisions of this article shall install and maintain a proper system of accounting, showing the amount of revenues received and the application of the same, and the governing body or bodies shall, at least once a year, cause such accounts to be properly audited by a competent auditor, and the report of such auditor shall be open for inspection at all proper times to any taxpayer or resident of said municipality or municipalities, or person receiving service from said works, or any holder of bonds issued under the provisions of this article, or anyone acting for and in behalf of such taxpayer, resident, person, or bondholder. The treasurer of such municipality or each such municipality, or other official or institution specifically charged with the duty, shall be the custodian or custodians of the funds derived from income received from said works, and shall give proper bond or bonds for the faithful discharge of his or its or their duties as such custodian or custodians, which bond or bonds shall be fixed and approved by the governing body or bodies. All of the funds received as income from said works under the provisions of this article and all funds received from the sale of revenue bonds issued therefor shall be kept separate and apart from other funds of the municipality or municipalities, and separate accounts shall be maintained for the several items required to be set up by the provisions of section seventeen of this article.

Acts 1935, c. 68, § 19; Acts 1969, c. 86.

PART X—CONSTRUCTION; EXTRATERRITORIAL JURISDICTION

§ 8-16-25. Article confers additional power and authority; extraterritorial jurisdiction

Law Review and Journal Commentaries

This Land is Whose Land? The Feasibility of Extraterritorial Jurisdiction in West Virginia's Land Use Planning Laws. Lori Schwartzmiller, 109 W. Va. L. Rev. 929 (Spring, 2007).

ARTICLE 18

ASSESSMENTS TO IMPROVE STREETS, SIDEWALKS AND SEWERS; SEWER CONNECTIONS AND BOARD OF HEALTH; ENFORCEMENT OF DUTY TO PAY FOR SERVICE

Part XII—Connection to Sewers; Board of Health; Enforcement of Duty to Pay for Service

Section
8-18-22. Connection to sewers; board of health; penalty.

PART I—POWER AND AUTHORITY TO MAKE IMPROVEMENTS

§ 8-18-1. Power and authority of municipalities relating to street, sidewalk, sewer and other permanent improvements

Notes of Decisions

2. In general

A municipal corporation may use revenue sharing funds to pay that portion of the cost of the improvements to city streets not funded by special assessment. 55 W.Va. Op.Atty.Gen. 180 (November 5, 1973) 1973 WL 159172.

6. Liability of abutting landowners; generally

A County school board must pay municipal paving assessments assessed against its property, if benefited, including undivided interest thereof. 51 W.Va. Op.Atty.Gen. 588 (November 24, 1965) 1965 WL 92496.

Municipalities may not assess any municipal street cost against abutting property lying wholly outside municipality. 51 W.Va. Op.Atty.Gen. 13 (July 24, 1964) 1964 WL 72571.

PART III—APPORTIONMENT IN MAKING ASSESSMENTS

§ 8-18-9. Assessment against property of public, charitable, eleemosynary, educational or religious institutions; duty of those in charge to cause assessments to be paid

Notes of Decisions

County-owned property 2

1. State-owned property

State agency must pay its share of municipal paving costs of streets abutting State property. 51 W.Va. Op.Atty.Gen. 432 (August 19, 1965) 1965 WL 92466.

2. County-owned property

A County school board must pay municipal paving assessments assessed against its property, if benefited, including undivided interest thereof. 51 W.Va. Op.Atty.Gen. 588 (November 24, 1965) 1965 WL 92496.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 31, ARTICLE 15A OF THE WEST VIRGINIA CODE, AND CHAPTER 31, ARTICLE 15A OF THE 2009 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
June 8, 2010

Natalie E. Tennant

Secretary of State

ARTICLE 15A

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

Section

31-15A-1. Short title.
31-15A-2. Definitions.
31-15A-3. West Virginia infrastructure and jobs development council continued; members of council; staff of council.
31-15A-4. Development of guidelines and preliminary application for funding assistance.
31-15A-5. Requirements for project funding assistance; review of project preliminary applications by council.
31-15A-6. Powers, duties and responsibilities of the council generally; comprehensive assessment.
31-15A-7. Current and prospective planning; roads and highways; report to division of highways.
31-15A-8. Exemption of certain emergency projects from certificate of public convenience and necessity requirements; review of certain emergency projects by public service commission; and exemption for North Fork Hughes River watershed project.
31-15A-9. Infrastructure fund; deposits in fund; disbursements to provide loans, loan guarantees, grants and other assistance; loans, loan guarantees, grants and other assistance shall be subject to assistance agreements.
31-15A-10. Recommendations by council for expenditures of funds by loan, grant or for engineering assistance.
31-15A-11. Reservation of funds for projects and infrastructure projects.
31-15A-12. Additional powers of water development authority.
31-15A-13. Prohibition on funds inuring to the benefit of or being distributable to water development board; transactions between the water development board and officers having certain interests in such transactions.
31-15A-14. Termination or dissolution.
31-15A-15. Projects not to be considered public improvements; competitive bid requirements.
31-15A-16. Dedication of severance tax proceeds.
31-15A-17. Water development authority empowered to issue infrastructure revenue bonds and refunding bonds; creation of infrastructure revenue debt service fund; funding of infrastructure revenue debt service fund; requirements and manner of such issuance.
31-15A-18. Trustee for holders of infrastructure revenue bonds; contents of trust agreement.
31-15A-19. Legal remedies of infrastructure revenue bondholders or noteholders and trustees.
31-15A-20. Infrastructure revenue bonds lawful investments.
31-15A-21. Purchase and cancellation of infrastructure revenue bonds.
31-15A-22. Refunding revenue bonds.
31-15A-23. Infrastructure revenue bonds not debt of state, county, municipality or any political subdivision.
31-15A-24. Infrastructure revenue bonds exempt from taxation.

§ 31-15A-1. Short title

This article shall be known and may be cited as the "West Virginia Infrastructure and Jobs Development Act."

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-2. Definitions

For purposes of this article:

(a) "Bond" or "infrastructure revenue bond" means a revenue bond, note, or other obligation issued by the water development authority pursuant to this article, including bonds to refund such bonds and notes to renew such notes, and notes in anticipation of and payable from the proceeds of such bonds.

(b) "Code" means the code of West Virginia, one thousand nine hundred thirty-one, as amended;

(c) "Cost" means, as applied to any project to be financed, in whole or in part, with infrastructure revenues or funds otherwise provided pursuant to this article, the cost of planning, acquisition, improvement and construction of the project; the cost of preliminary design and analysis, surveys, borings; the cost of environmental, financial, market and engineering feasibility studies, assessments, applications, approvals, submissions or clearances; the cost of preparation of plans and specifications and other engineering services; the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights and any other interests required for the acquisition, repair, improvement or construction of the project; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which buildings or structures may be moved; the cost of excavation, grading, shaping or treatment of earth, demolishing or removing any buildings or structures; the cost of constructing any buildings or other improvements; the cost of all pumps, tanks, vehicles, apparatus and other machinery, furnishings and equipment; loan or origination fees and all finance charges and interest incurred prior to and during the construction and for no more than six months after completion of construction; the cost of all legal services and expenses; the cost of all plans, specifications, surveys and estimates of cost; all working capital and other expenses necessary or incident to determining the feasibility or practicability of acquiring, repairing, improving or constructing any project; the cost of placing any project in operation; and all other costs and expenses of any kind or nature incurred or to be incurred by the project sponsor developing the project that are reasonable and necessary for carrying out all works and undertakings necessary or incident to the accomplishment of any project: Provided, That costs shall not include any amounts related to the ongoing operations of the owner or operator, depreciation thereof or any other cost which the council or the water development authority has not determined to be consistent with the purposes and objectives of this article;

(d) "Council" means the West Virginia infrastructure and jobs development council created in section three of this article;

(e) "Division of environmental protection" means the division of environmental protection established under article one, chapter twenty-two of this code, or any successor to all or any substantial part of its powers and duties;

(f) "Division of health" means the division of health created in article one, chapter sixteen of this code, or any successor to all or any substantial part of its powers and duties;

(g) "Economic development authority" means the economic development authority established under article fifteen, chapter thirty-one of the code, or any successor to all or any substantial part of its powers and duties;

(h) "Emergency project" means a project which the council has determined: (1) Is essential to the immediate economic development of an area of the state; and

(2) will not likely be developed in that area if construction of the project is not commenced immediately;

(i) "Governmental agency" means any county; municipality; watershed improvement district; assessment district; soil conservation district; sanitary district; public service district; drainage district; regional governmental authority and any other state governmental agency, entity, political subdivision or public corporation or agency authorized to acquire, construct or operate water or wastewater facilities or infrastructure projects;

(j) "Housing development fund" means the West Virginia housing development fund established under article eighteen of this chapter, or any successor to all or any substantial part of its powers and duties;

(k) "Infrastructure fund" means the West Virginia infrastructure fund created and established in section nine of this article;

(*l*) "infrastructure project" means a project in the state which the council determines is likely to foster and enhance economic growth and development in the area of the state in which the project is developed, for commercial, industrial, community improvement or preservation or other proper purposes, including, without limitation, tourism and recreational housing, land, air or water transportation facilities and bridges, industrial or commercial projects and facilities, mail order, warehouses, wholesale and retail sales facilities and other real and personal properties, including facilities owned or leased by this state or any other project sponsor, and includes, without limitation:

(1) the process of acquiring, holding, operating, planning, financing, demolition, construction, improving, expanding, renovation, leasing or otherwise disposing of the project or any part thereof or interest therein; and

(2) preparing land for construction and making, installing or constructing improvements on the land, including water or wastewater facilities or any part thereof, steam, gas, telephone and telecommunications and electric lines and installations, roads, bridges, railroad spurs, buildings, docking and shipping facilities, curbs, gutters, sidewalks, and drainage and flood control facilities, whether on or off the site;

(m) "Infrastructure revenue" means all amounts appropriated by the Legislature; all amounts deposited into the infrastructure fund; any amounts received, directly or indirectly, from any source for the use of all or any part of any project completed pursuant to this article; and any other amounts received by the state treasurer, council or the water development authority for the purposes of this article;

(n) "Need of the project sponsors" means there is a public need for a project. The council shall construe a population increase evidenced by the last two decennial censuses in a county in which a project is proposed, as a factor supporting the conclusion that a need exists for projects in that county.

(o) "Project" means any wastewater facility, water facility project or any combination thereof, constructed or operated or to be constructed or operated by a project sponsor;

(p) "Project sponsor" means any governmental agency or person, or any combination thereof, including, but not limited to, any public utility, which intends to plan, acquire, construct, improve or otherwise develop a project;

(q) "Public service commission" means the public service commission of West Virginia created and established under section three, article one, chapter twenty-four of this code, or any successor to all or any substantial part of its powers and duties;

(r) "Person" means any individual, corporation, partnership, association, limited liability company or any other form of business organization;

(s) "Public utility" means any person or persons, or association of persons, however associated, whether incorporated or not, including, without limitation, any governmental agency, operating a wastewater facility or water facility as a public service, which is regulated by the public service commission as a public utility under chapter twenty-four of this code or which is required to file its tariff with the public service commission;

(t) "State development office" means the West Virginia development office established under article two, chapter five-b of this code, or any successor to all or any substantial part of its powers and duties;

(u) "State infrastructure agency" means the division of health, division of environmental protection, housing development fund, public service commission, state development office, water development authority, economic development authority and any other state agency, division, body, authority, commission, instrumentality or entity which now or in the future receives applications for the funding of, and provides funding or technical assistance to, the planning, acquisition, construction or improvement of a project;

(v) "Waste water facility" means all facilities, land and equipment used for or in connection with treating, neutralizing, disposing of, stabilizing, cooling, segregating or holding waste water, including, without limitation, facilities for the treatment and disposal of sewage, industrial wastes or other wastes, wastewater, and the residue thereof; facilities for the temporary or permanent impoundment of wastewater, both surface and underground; and sanitary sewers or other collection systems, whether on the surface or underground, designed to transport wastewater together with the equipment and furnishings therefor or thereof and their appurtenances and systems, whether on the surface or underground including force mains and pumping facilities therefor;

(w) "Water development authority" means the West Virginia water development authority continued pursuant to the provisions of article one, chapter

twenty-two-c of this code, or any successor to all or any substantial part of its powers and duties; and

(x) "Water facility" means all facilities, land and equipment used for or in connection with the collection and/or storage of water, both surface and underground, transportation of water, storage of water, treatment of water and distribution of water all for the purpose of providing potable, sanitary water suitable for human consumption and use.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-3. West Virginia infrastructure and jobs development council continued; members of council; staff of council

(a) The West Virginia infrastructure and jobs development council is hereby continued. The council is a governmental instrumentality of the state. The exercise by the council of the powers conferred by this article and the carrying out of its purpose and duties shall be considered and held to be, and are hereby determined to be, essential governmental functions and for a public purpose.

(b) The council shall consist of eleven members, including the executive director of the housing development fund or his or her designee, the director of the division of environmental protection or his or her designee, the director of the economic development authority or his or her designee, the director of the water development authority or his or her designee, the executive director of the state development office or his or her designee, the director of the division of health or his or her designee, the chairman of the public service commission or his or her designee, and four members representing the general public: Provided, That there shall be at least one member representing the general public from each congressional district: Provided, however, That after the expiration of the term of office of the members first appointed as representatives of the general public, no more than one member representing the general public may be a resident of the same county. The governor shall appoint the public members of the council who shall serve three-year staggered terms. The commissioner of the division of highways, the executive director of the state rail authority, two members of the West Virginia Senate, two members of the West Virginia House of Delegates, one representative of the board of directors of the state college system and one representative of the board of trustees of the university of West Virginia shall serve as advisory members of the council. The governor shall appoint the legislative members of the council: Provided, further That no more than three of the legislative members may be of the same political party. The governor shall appoint the representatives of the governing boards from a list of three names submitted by each governing board. The advisory members shall be ex officio, nonvoting members of the council.

(c) The council shall annually elect one of its members as chairman, and shall appoint a secretary, who need not be a member of the council and who shall keep records of its proceedings. Six members of the council shall constitute a quorum and the affirmative vote of at least the majority of those members present shall be necessary for any action taken by vote of the council.

No vacancy in the membership of the council impairs the rights of a quorum by such vote to exercise all the rights and perform all the duties of the council.

(d) No member of the council who serves by virtue of his or her office shall receive any compensation or reimbursement of expenses for serving as a member. The members of the council who represent the general public shall receive reimbursement for actual expenses incurred in the service of the council.

(e) The council shall meet at least monthly to review projects and infrastructure projects requesting funding assistance and otherwise to conduct its business, and shall meet more frequently if necessary. Notwithstanding any other provision of this article to the contrary, the economic development authority shall not be subject to council review with regard to any action taken pursuant to the authority established in article fifteen, chapter thirty-one of this code nor shall the governor's civil contingent fund be subject to council review with regard to projects or infrastructure projects funded through the governor's civil contingent fund.

(f) The water development authority shall provide office space for the council, and each governmental agency represented on the council shall provide staff support for the council in the manner determined by the council from time to time.

(g) The council shall invite to all its meetings one or more representatives of the United States department of agriculture, rural economic community development, the United States economic development agency and the United States army corps of engineers or any successors thereto. The council shall also invite such other appropriate parties as may be necessary to effectuate the purposes of this article.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1995, c. 130, eff. March 10, 1995.

§ 31-15A-4. Development of guidelines and preliminary application for funding assistance

(a) To implement and carry out the intent of this article, the council shall promulgate legislative rules in accordance with article three, chapter twenty-nine-a of this code to develop comprehensive, uniform guidelines for use by the council and other state infrastructure agencies in evaluating any request by a project sponsor for funding assistance to plan, acquire, construct, improve or otherwise develop a project or infrastructure project. The guidelines shall include the following factors: (1) the public health benefits of the project or infrastructure project; (2) the economic development benefits of the project or infrastructure project; (3) the degree to which the project or infrastructure project will correct deficiencies in the compliance of water supply or sewage treatment facilities with state or federal laws, regulations or standards; (4) the degree to which the project or infrastructure project encourages effective and efficient consolidation of water or sewage treatment systems consistent with the comprehensive plan developed pursuant to section six of this article; (5) the cost effectiveness of the project or infrastructure project as compared with

alternatives which achieve substantially the same public health or economic development benefits, including the consideration of providing maximum feasible fire protection; (6) the availability of alternative sources of funding which could finance all or a part of the project and infrastructure project, and the need for the assistance of the council to finance the project or infrastructure project or attract other sources of funding; (7) the applicant's ability to operate and maintain the system if the project or infrastructure project is approved; (8) the degree to which the project or infrastructure project achieves other state or regional planning goals; (9) the estimated date upon which the project or infrastructure project could commence if funding were available and the estimated completion date of the project or infrastructure project; and (10) such other considerations as the council may consider necessary or appropriate to accomplish the purpose and intent of this article.

(b) The council shall create a preliminary application form which shall be used by all project sponsors requesting funding assistance from state infrastructure agencies to plan, acquire, construct, improve or otherwise develop an infrastructure project or project. The preliminary application form shall contain all information required by all state infrastructure agencies that will be required to issue permits and/or certificates regarding the project or infrastructure project. The preliminary application shall require the project sponsor to set forth the type and proposed location of the infrastructure project or project; the estimated total cost of the project; the amount of funding assistance required and the specific uses of the funding; other sources of funding available or potentially available for the infrastructure project or project; information demonstrating the need for the infrastructure project or project and that the proposed funding of the project is the most economically feasible and viable alternative to completing the project or infrastructure project; and such other information as the council considers necessary to enable it to recommend the type of project or infrastructure project financing, in terms of the kind, amount and source of funding, which the project sponsor should pursue and which the state infrastructure agency or agencies should consider an appropriate investment of public funds, and to otherwise carry out the intent of this article.

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-5. Requirements for project funding assistance; review of project preliminary applications by council

(a) No project sponsor may apply for or receive any loan, loan guarantee, grant or other funding assistance for a project or infrastructure project from any state infrastructure agency (i) unless the project sponsor requiring the funding assistance first submits a completed preliminary application to the council on the form prepared for such purpose by the council pursuant to section four of this article, and (ii) except as may be recommended by the council after consideration of the preliminary application: Provided, That any project sponsor which has an infrastructure project or project with either

acceptable bids or all funding in place on the effective date of this act is not required to comply with the provisions of this section.

(b) The council shall, within thirty days of receipt of each completed preliminary application submitted to it, review the preliminary application and either (i) make a written recommendation as to the infrastructure project or project financing, in terms of the kind, amount and source of funding, which the project sponsor submitting the application should pursue and which the state infrastructure agency or agencies should consider an appropriate investment of public funds, or (ii) if the council determines that (1) the proposed project or infrastructure project is not eligible for funding assistance from any state infrastructure agency, or (2) the proposed project or infrastructure project is not otherwise an appropriate or prudent investment of state funds, the council shall recommend that the project sponsor not seek funding from any state infrastructure agency. A project sponsor shall include the preliminary application and the council's recommendations in any application to a state infrastructure agency.

(c) The council shall provide a copy of its recommendation with respect to each preliminary application, together with a copy of the preliminary application, to all appropriate state infrastructure agencies, which shall take into account the council's recommendations with respect to a project or infrastructure project before taking any action with respect to the project. No state infrastructure agency shall take any action inconsistent with the recommendation of the council unless the governing body of the agency, or the head of the agency if it has no governing body, expressly finds and determines that the recommendation is not in the best interest of the state or the area in which the proposed infrastructure project or project is to be located.

(d) In reviewing each preliminary application, the council shall use the engineering, financial and technical expertise of the respective staffs of the state infrastructure agencies represented on the council so as to recommend for funding those projects or infrastructure projects which are consistent with the purposes and intent of this article and with the policies and priorities of this state generally. The council may include in its findings a recommendation that a state infrastructure agency consider technical reports on the project prepared by other infrastructure agencies or by any federal agency.

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-6. Powers, duties and responsibilities of the council generally; comprehensive assessment

(a) In addition to the powers set forth elsewhere in this article, the council is hereby granted, has and may exercise all powers necessary or appropriate to carry out and effectuate the purposes and intent of this article. The council shall have the power and capacity to:

(1) Provide consultation services to project sponsors in connection with the planning, acquisition, improvement, construction or development of any infrastructure project or project;

(2) Periodically prepare a list of infrastructure projects or projects which cannot meet the established funding guidelines of the various state infrastructure agencies, other than the housing development fund, but which are consistent with the mandates of this article and recommend to the water development authority that it make a grant or loan to the project sponsors from the infrastructure fund to finance the cost of one or more such projects or infrastructure projects;

(3) Do all other acts necessary and proper to carry out the powers expressly granted to the authority in this article; and

(4) To make and execute contracts, commitments and obligations and other instruments necessary or convenient for the exercise of its powers.

(b) The council shall develop a comprehensive statewide inventory of water supply systems and sewage treatment systems and an assessment of current and future needs by the first day of July, one thousand nine hundred ninety-six. The assessment shall identify the areas of the state which do not have adequate public water or sewage systems and offer recommendations for the construction of new facilities or the extension or expansion of existing facilities to meet the identified needs. The council shall include in the assessment an identification of the obstacles, issues and problems which prevent or inhibit development of adequate infrastructure throughout the state, including financial, governmental, physical, or geographical factors and make recommendation as the council considers appropriate regarding the obstacles, issues or problems identified. This comprehensive inventory and assessment shall be updated at least once in every three year period after the initial assessment and inventory is completed.

(c) The council shall study the viability of the consolidation of public service districts throughout the state: Provided, That the study shall encompass not only public service districts but also any and all entities which provide or supply water and sewer service to the general public: Provided, however, That the council shall, in the preparation of the study, consult with the public service district division of the public service commission and representatives of the West Virginia rural water association and the West Virginia association of public service districts, as needed. The council shall report their findings and conclusions on or before the sixteenth of January of the year one thousand nine hundred ninety-five to the governor, speaker of the house of delegates and president of the senate.

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-7. Current and prospective planning; roads and highways; report to division of highways

(a) The council shall take into account the current and prospective infrastructure needs in relation to plans of the division of highways for the development and building of new roads. Upon completion of an environmental impact study, the commissioner of highways shall provide the council with plans for any and all new roads. In a timely manner, the council shall advise the

commissioner of the division of highways on the feasibility of the expansion of new or existing water and sewer lines concomitant to the construction of the new roads.

(b) The council has the authority to appoint local infrastructure planning teams. The local infrastructure planning teams may consist of the following: A designee of the division of highways from the region where the new road is being built; a designee of the division of highways from the central state office; a designee from the environmental engineers division of the department of health and human resources; a designee from the local developmental authority where the new road is being built; a designee from the regional developmental authority in the area where the new road is being built; a designee from the public service commission; a designee from the division of environmental protection; a designee from the county commission where the new road is being built who shall serve as chairperson of the planning team; a citizen of the county where the new road is being built to be chosen by the county commission; and the elected state delegates and senators from the area where the new road is being built. In order to avoid delay of any highway project, immediately upon appointment of a local infrastructure planning team, the director of the division of highways shall submit to the council a time frame within which the planning team must act and within which the planning team must submit any plans, maps, recommendations or reports developed pursuant to this subsection. The local infrastructure planning team shall meet prior to the development and building of a new road. Members of the local infrastructure planning team shall only receive payment for actual expenses incurred. The local infrastructure planning team shall advise the commissioner of the division of highways on the feasibility of an infrastructure plan. The local infrastructure planning team shall meet to develop an infrastructure plan that includes an assessment study of existing water and sewer lines and a feasibility study on future development and laying of water and sewer lines. After these studies are completed, a developmental map shall be drawn of the proposed road route with overlays of the proposed water and sewer lines. These studies and the map shall be presented to the commissioner of the division of highways and shall be used by the commissioner in the planning, developing and building of the road.

(c) The water development authority shall establish a restricted account within the infrastructure fund to be expended for the construction of water and sewage lines as may be recommended by the council in accordance with this article and specifically, in accordance with the plan developed under subsection (b) of this section. The reserve account shall be known as the "infrastructure road improvement reserve account". The council and the division of highways may enter into agreements to share the cost of financing projects approved in accordance with this section from moneys available in the infrastructure road reserve account and moneys available from the state road fund. Annually, the council may direct the water development authority to transfer funds from the infrastructure fund in an amount not to exceed one million dollars to the

restricted account: Provided, That at no time may the balance of the restricted account exceed one million dollars.

(d) For the purposes of this section the term "new" means a road right-of-way being built for the first time.

(e) After the construction of water and sewer lines adjacent to the new road, these new lines shall be turned over to existing utilities by expansion of boundaries of public service districts or shall be main extensions from the municipality.

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-8. Exemption of certain emergency projects from certificate of public convenience and necessity requirements; review of certain emergency projects by public service commission; and exemption for North Fork Hughes River watershed project

(a) If the council determines a project to be an emergency and the emergency project will be funded solely with grant money for the extension of an existing certificated water facility or wastewater facility, and if the council finds in its recommendation that the construction and acquisition of the emergency project will have no effect on the public utility's customer rates and will have no significant effect on its operational costs as a result of the project cost, then the emergency project is exempt from the requirement to obtain a certificate of public convenience and necessity under section eleven, article two, chapter twenty-four of this code. If the public utility is a public service district, it is exempt from the approval of the public service commission required under section twenty-five, article thirteen-a, chapter sixteen of this code.

(b) Any public utility, and any other entity that will operate as a public utility, must obtain a certificate of public convenience and necessity pursuant to section eleven, article two, chapter twenty-four of this code for any emergency project that is not exempt under subsection (a) of this section. The public service commission shall render its final decision on any application for a certificate within one hundred twenty days of the filing of the application: Provided; That the thirty-day prefiling requirement is not required. If the project sponsor is a public service district, then the project will be exempted from the approval requirements of section twenty-five, article thirteen-a, chapter sixteen of this code.

(c) Projects that are not emergency projects are subject to the requirements of section eleven, article two, chapter twenty-four of this code to the extent they would be otherwise.

(d) The North Fork Hughes River watershed project, proposed to enhance economic growth and development through tourism as provided in subsection (k), section two of this article and to include a water facility project as defined in subsection (n), section two of this article, is hereby specifically exempted from any requirement imposed by this article, except that the provisions of subsection (a) of this section are specifically made applicable to the project.

The project is hereby specifically authorized and the public land corporation shall have and may exercise the power of eminent domain and all authority otherwise prescribed by law to acquire necessary land and rights-of-way, to include approximately four hundred seventy-eight acres, in connection with the project. Funding for the project shall be provided by the federal government from the Appalachian regional commission through the United States soil conservation service. Upon completion of the project, the property acquired shall be transferred to the state park system. The commissioner of the division of tourism and parks or the successor to the commissioner's powers and duties is directed to expand the boundaries of North Bend state park to include the project area and to operate the expanded park property, including improved recreational facilities, from funds appropriated for that purpose.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-9. Infrastructure fund; deposits in fund; disbursements to provide loans, loan guarantees, grants and other assistance; loans, loan guarantees, grants and other assistance shall be subject to assistance agreements

(a) The water development authority shall create and establish a special revolving fund of moneys made available by appropriation, grant, contribution or loan to be known as the "West Virginia Infrastructure Fund". This fund shall be governed, administered and accounted for by the directors, officers and managerial staff of the water development authority as a special purpose account separate and distinct from any other moneys, funds or funds owned and managed by the water development authority. The infrastructure fund shall consist of sub-accounts, as deemed necessary by the council or the water development authority, for the deposit of: (1) Infrastructure revenues; (2) any appropriations, grants, gifts, contributions, loan proceeds or other revenues received by the infrastructure fund from any source, public or private; (3) amounts received as payments on any loans made by the water development authority to pay for the cost of a project or infrastructure project; (4) insurance proceeds payable to the water development authority or the infrastructure fund in connection with any infrastructure project or project; (5) all income earned on moneys held in the infrastructure fund; (6) all funds deposited in accordance with section four of article fifteen-b; and (7) all proceeds derived from the sale of bonds issued pursuant to article fifteen-b of this chapter.

Any money collected pursuant to this section shall be paid into the West Virginia infrastructure fund by the state agent or entity charged with the collection of the same, credited to the infrastructure fund, and used only for purposes set forth in this article or article fifteen-b.

Amounts in the infrastructure fund shall be segregated and administered by the water development authority separate and apart from its other assets and programs. Amounts in the infrastructure fund may not be transferred to any other fund or account or used, other than indirectly, for the purposes of any other program of the water development authority, except that the water development authority may use funds in the infrastructure fund to reimburse

itself for any administrative costs incurred by it and approved by the council in connection with any loan, loan guarantee, grant or other funding assistance made by the water development authority pursuant to this article.

(b) Notwithstanding any provision of this code to the contrary, amounts in the infrastructure fund shall be deposited by the water development authority in one or more banking institutions: Provided, That any moneys so deposited shall be deposited in a banking institution located in this state. The banking institution shall be selected by the water development authority by competitive bid. Pending the disbursement of any money from the infrastructure fund as authorized under this section, the water development authority shall invest and reinvest the moneys subject to the limitations set forth in article eighteen, chapter thirty-one of this code.

(c) To further accomplish the purposes and intent of this article and article fifteen-b of this chapter, the water development authority may pledge infrastructure revenues and from time to time establish one or more restricted accounts within the infrastructure fund for the purpose of providing funds to guarantee loans for infrastructure projects or projects: Provided, That for any fiscal year the water development authority may not deposit into the restricted accounts more than twenty percent of the aggregate amount of infrastructure revenues deposited into the infrastructure fund during the fiscal year. No loan guarantee shall be made pursuant to this article unless recourse under the loan guarantee is limited solely to amounts in the restricted account or accounts. No person shall have any recourse to any restricted accounts established pursuant to this subsection other than those persons to whom the loan guarantee or guarantees have been made.

(d) Each loan, loan guarantee, grant or other assistance made or provided by the water development authority shall be evidenced by a loan, loan guarantee, grant or assistance agreement between the water development authority and the project sponsor to which the loan, loan guarantee, grant or assistance shall be made or provided, which agreement shall include, without limitation and to the extent applicable, the following provisions:

(1) The estimated cost of the infrastructure project or project, the amount of the loan, loan guarantee or grant or the nature of the assistance, and in the case of a loan or loan guarantee, the terms of repayment and the security therefor, if any;

(2) The specific purposes for which the loan or grant proceeds shall be expended or the benefits to accrue from the loan guarantee or other assistance, and the conditions and procedure for disbursing loan or grant proceeds;

(3) The duties and obligations imposed regarding the acquisition, construction, improvement or operation of the project or infrastructure project; and

(4) The agreement of the governmental agency to comply with all applicable federal and state laws, and all rules and regulations issued or imposed by the water development authority or other state, federal or local bodies regarding the acquisition, construction, improvement or operation of the infrastructure project or project and granting the water development authority the right to

appoint a receiver for the project or infrastructure if the project sponsor should default on any terms of the agreement.

(e) Any resolution of the water development authority approving loan, loan guarantee, grant or other assistance shall include a finding and determination that the requirements of this section have been met.

(f) The interest rate on any loan to governmental, quasi-governmental, or not for profit project sponsors for projects made pursuant to this article shall not exceed three percent per annum. Due to the limited availability of funds available for loans for projects, it is the public policy of this state to prioritize funding needs to first meet the needs of governmental, quasi-governmental and not for profit project sponsors and to require that loans made to for-profit entities shall bear interest at the current market rates. Therefore, no loan may be made by the council to a for-profit entity at an interest rate which is less than the current market rate at the time of the loan agreement.

(g) The water development authority shall cause an annual audit to be made by an independent certified public accountant of its books, accounts and records, with respect to the receipts, disbursements, contracts, leases, assignments, loans, grants and all other matters relating to the financial operation of the infrastructure fund, including the operating of any sub-account within the infrastructure fund. The person performing such audit shall furnish copies of the audit report to the commissioner of finance and administration, where they shall be placed on file and made available for inspection by the general public. The person performing such audit shall also furnish copies of the audit report to the Legislature's joint committee on government and finance.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1995, c. 130, eff. March 10, 1995.

Acts 1990, c. 2, abolished the office of commissioner of finance and administration and transferred all duties and powers to the secretary of administration. See § 5A-1-2.

§ 31-15A-10. Recommendations by council for expenditures of funds by loan, grant or for engineering assistance

(a) To further accomplish the purpose and intent of this article, the water development authority shall use the moneys in the infrastructure fund created pursuant to section nine of this article, upon receipt of one or more recommendations from the council pursuant to section five of this article, to make loans, with or without interest, loan guarantees or grants and to provide other assistance, financial, technical or otherwise, to finance all or part of the costs of infrastructure projects or projects to be undertaken by a project sponsor: Provided, That any moneys disbursed from the infrastructure fund in the form of grants shall not exceed twenty percent of the total funds available for the funding of projects. No loan, loan guarantee, grant or other assistance shall be made or provided except upon a determination by the council that the loan, loan guarantee, grant or other assistance and the manner in which it will be provided are necessary or appropriate to accomplish the purposes and intent of this article, based upon an application submitted to the council: Provided,

however, That no grant shall be made to a project sponsor that is not a governmental agency or a not for profit corporation under the provisions of section 501(c) of the Internal Revenue Code of 1986, as amended. Applications for loans, loan guarantees, grants or other assistance may be submitted by a project sponsor for one or more infrastructure projects on preliminary application forms prepared by the council pursuant to section four of this article. Any recommendation of the council approving a loan, loan guarantee, grant or other assistance shall include a finding and determination by the council that the requirements of this section have been met. The council shall base any decisions to loan money for projects to project sponsors pursuant to this article solely on the need of the project sponsors.

(b) The council has the authority in its sole discretion to make grants to project sponsors if it finds that: (1) The level of rates for the users would otherwise be an unreasonable burden given the users' likely ability to pay; or (2) the absence of a sufficient number of users prevents funding of the project except through grants: Provided, That no project sponsor shall receive infrastructure grant money in an amount in excess of fifty percent of the total cost of the project. Therefore, the council may consider the economic or financial conditions of the area to be served. As a condition for receipt of a grant under this subsection, the council may require, in addition to any other conditions, that the applicant pursue other state or federal grant or loan programs. Upon a recommendation by the council, the water development authority shall provide the grant in accordance with the recommendation. The council shall develop criteria to be considered in making grants to project sponsors which shall require consideration of the economic or financial conditions of the area to be served and the availability of other funding sources. The council shall adopt procedural rules regarding the manner in which grants will be awarded in conformity with this section. The procedural rules shall be adopted pursuant to article three, chapter twenty-nine-a of this code.

(c) Notwithstanding any other provision of this article to the contrary, the council shall apply a mandatory minimum end user utility rate that must be met by the project sponsor before funding assistance may be awarded. The mandatory minimum end utility rate shall be based upon a uniform statewide percentage of the median household income in a particular geographic area and said rate shall not exceed six tenths of one percent: Provided, That funding assistance made from the proceeds of any general obligation bonds and revenue bonds issued after the fifteenth day of March, one thousand ninety-eight, after transfers required to make the state match for the water and wastewater revolving loan programs pursuant to article two, chapter twenty-two-c and article thirteen-c, chapter sixteen of this code, shall be provided by the council on a pro rata basis divided equally among the congressional districts of this state as delineated in accordance with section three, article two, chapter one of this code: Provided, however, That infrastructure projects as defined in subsection (1), section two of this article shall be subject to pro rata distribution. When determining median household income of a geographic area of the

project to be served, the council shall consider any surveys of the income of the households that will be served by the project.

(d) No loan or grant funds may be made available for a project if the project to be funded will provide subsidized services to certain users in the service area of the project.

(e) Notwithstanding any other provision of this article to the contrary, engineering studies and requirements imposed by the council for preliminary applications shall not exceed those engineering studies and requirements which are necessary for the council to determine the economic feasibility of the project. If the council determines that the engineering studies and requirements for the preapplication would impose an undue hardship on any project sponsor, the council may provide funding assistance to project sponsors to defray the expenses of the preapplication process from moneys available in the infrastructure fund for making loans: Provided, That the council may only provide funding assistance in an amount equal to five thousand dollars or fifty percent of the total preapplication cost of the project, whichever amount is greater. If the project is ultimately approved for a loan by the council, the amount of funding assistance provided to the project sponsor for the preapplication process shall be included in the total amount of the loan to be repaid by the project sponsor. If the project is not ultimately approved by the council, then the amount of funding assistance provided to the project sponsor will be considered a grant by the council and the total amount of the assistance shall be forgiven. In no event may the amount of funding assistance provided to all project sponsors exceed, in the aggregate, one hundred thousand dollars annually.

(f) The council shall report to the governor, the speaker of the House of Delegates and the president of the Senate during each regular and interim session of the Legislature, on its activities and decisions relating to distribution or planned distribution of grants and loans under the criteria to be developed pursuant to this article.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1995, c. 130, eff. March 10, 1995; Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-11. Reservation of funds for projects and infrastructure projects

Eighty percent of the funds deposited in the West Virginia infrastructure fund shall be dedicated for the purpose of providing funding for the cost of projects as defined in subsection (n), section two of this article. Twenty percent of the funds deposited in the West Virginia infrastructure fund shall be dedicated for the purpose of providing funding for costs of infrastructure projects as defined in subsection (*l*), section two of this article. Project sponsors of infrastructure projects shall follow the application process as established by this article: Provided, That notwithstanding any provision of this article to the contrary, all applications for any infrastructure project shall be submitted to the council for

community and economic development, or its successor, for review, recommendation and approval regarding infrastructure project funding.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-12. Additional powers of water development authority

To accomplish the purpose and intent of this article, the water development authority is hereby empowered, in addition to all other powers granted to it under this code, upon approval of the council, to (1) enter into agreements or other transactions with any federal or state agency in connection with any infrastructure project or project; (2) receive or administer on behalf of any federal or state agency grants, subsidies or other payments to be applied to the costs of any infrastructure project or project financed in whole or in part or otherwise assisted by the water development authority, including, but not limited to, payments to be applied to operating costs and debt service or obligations of any project sponsor; (3) receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions are made; (4) establish and amend the criteria and qualifications for making loans, loan guarantees or grants, or providing any other assistance, for any infrastructure project or project, and the terms of any loans, loan guarantee, grant or assistance agreement for any project; and (5) do all things which are necessary to further the purposes and intent of this article.

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-13. Prohibition on funds inuring to the benefit of or being distributable to water development board; transactions between the water development board and officers having certain interests in such transactions

No part of the infrastructure fund or the West Virginia infrastructure revenue debt service fund shall inure to the benefit of or be distributable to the water development board directors or officers of the water development authority except that the water development authority is authorized and empowered to pay reasonable compensation, other than to members of the water development board, including the chairman, vice chairman, secretary-treasurer for services rendered and to make loans and exercise its other powers as previously specified in furtherance of its corporate purpose: Provided, That no loans shall be made, and no property shall be purchased or leased from, or sold, leased or otherwise disposed of, to any water development board member or officer of the water development authority.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-14. Termination or dissolution

Upon the termination or dissolution of the water development authority, all rights and properties of the water development authority with respect to the

infrastructure fund shall pass to and be vested in the state, subject to the rights of lienholders and other creditors.

Acts 1994, 1st Ex. Sess., c. 26.

§ 31-15A-15. Projects not to be considered public improvements; competitive bid requirements

(a) No project or infrastructure project acquired, constructed, maintained or financed, in whole or in part, by the water development authority shall be considered to be a "public improvement" within the meaning of the provisions of article five-a, chapter twenty-one of this code as a result of the financing.

(b) The state and its subdivisions shall, except as provided in subsection (c) of this section, solicit competitive bids and require the payment of prevailing wage rates as provided in article five-a, chapter twenty-one of this code for every project or infrastructure project funded pursuant to this article exceeding twenty-five thousand dollars in total cost.

Following the solicitation of the bids, the construction contract shall be awarded to the lowest qualified responsible bidder, who shall furnish a sufficient performance and payment bond: Provided, That the state and its subdivisions may reject all bids and solicit new bids on the project.

(c) This section does not:

(1) Apply to work performed on construction or repair projects not exceeding a total cost of fifty thousand dollars by regular full-time employees of the state or its subdivisions: Provided, That no more than fifty thousand dollars shall be expended on an individual project in a single location in a twelve-month period;

(2) Prevent students enrolled in vocational educational schools from being used in the construction or repair projects when such use is a part of the students' training program;

(3) Apply to emergency repairs to building components and systems: Provided, That the term "emergency repairs" means repairs that, if not made immediately, will seriously impair the use of the building components and systems or cause danger to those persons using the building components and systems; or

(4) Apply to any situation where the state or a subdivision of the state comes to an agreement with volunteers, or a volunteer group, by which the governmental body will provide construction or repair materials, architectural, engineering, technical or any other professional services and the volunteers will provide the necessary labor without charge to, or liability upon, the governmental body: Provided, That the total cost of the construction or repair projects does not exceed fifty thousand dollars.

(d) The provisions of subsection (b) of this section do not apply to privately owned projects or infrastructure projects constructed on lands not owned by the state or a subdivision of the state.

Acts 1994, 1st Ex. Sess., c. 26; Acts 2001, c. 45, eff. 90 days after April 14, 2001.

Historical and Statutory Notes

Acts 2001, c. 45 rewrote this section which as enacted provided:

"(a) No project or infrastructure project acquired, constructed, maintained or financed in whole or in part by the water development authority shall be considered to be a "public improvement" within the meaning of the provisions of article five-a, chapter twenty-one of this code, as a result of such financing.

"(b) The state and its subdivisions shall, except as provided in this subsection, solicit competitive bids and require the payment of prevailing wage rates as provided in article five-a, chapter twenty-one of this code for every project or infrastructure project funded pursuant to this article exceeding twenty-five thousand dollars in total cost. Following the solicitation of the bids, the construction contract shall be awarded to the lowest qualified responsible bidder, who shall furnish a sufficient performance and payment bond: Provided, That the state and its subdivisions may reject all bids and solicit new bids on the project. Nothing in this subsection applies to work performed on construction or repair projects not exceeding a total cost of twenty-five thousand dollars by regular full-time employees of the state or its subdivisions, nor shall anything in this subsection prevent students enrolled in vocational educational schools from being utilized in the construction or repair projects when such use is a part of the students' training program. Nothing in this subsection applies to emergency repairs to building components and systems: Provided, however, That the term "emergency repairs" means repairs that if not made immediately will seriously impair the use of the building components and systems or cause danger to those persons using the building components and systems. This subsection shall not apply to any situation where the state or a subdivision thereof comes to an agreement with volunteers, or a volunteer group, whereby the governmental body will provide construction or repair materials, architectural, engineering, technical or any other professional services and the volunteers will provide the necessary labor without charge to, or liability upon, the governmental body: Provided further, That the total cost of the construction or repair projects does not exceed twenty-five thousand dollars.

"(c) The provisions of subsection (b) of this section shall not apply to privately owned projects or infrastructure projects constructed on lands not owned by the state or a subdivision of the state."

§ 31-15A-16. Dedication of severance tax proceeds

(a) There shall be dedicated an annual amount from the collections of the tax collected pursuant to article thirteen-a, chapter eleven of this code for the construction, extension, expansion, rehabilitation, repair and improvement of water supply and sewage treatment systems and for the acquisition, preparation, construction and improvement of sites for economic development in this state as provided in this article.

(b) Notwithstanding any other provision of this code to the contrary, beginning on the first day of July, one thousand nine hundred ninety-five, the first sixteen million dollars of the tax collected pursuant to article thirteen-a, chapter eleven of this code shall be deposited to the credit of the West Virginia infrastructure general obligation debt service fund created pursuant to section three, article fifteen-b of this chapter: Provided, That beginning on the first day of July, one thousand nine hundred ninety-eight, the first twenty-four million dollars of the tax annually collected pursuant to article thirteen-a of this code shall be deposited to the credit of the West Virginia infrastructure general obligation debt service fund created pursuant to section three, article fifteen-b of this chapter.

(c) Notwithstanding any provision of subsection (b) of this section to the contrary: (1) none of the collections from the tax imposed pursuant to section [illegible] article thirteen-a, chapter eleven of this code shall be so dedicated or deposited; and (2) the portion of the tax imposed by article thirteen-a, chapter [illegible]en and dedicated for purposes of medicaid and the division of forestry

pursuant to section twenty-a of said article thirteen-a shall remain dedicated for the purposes set forth in said section twenty-a.

(d) On or before the first day of May of each year, commencing the first day of May, one thousand nine hundred ninety-five, the council, by resolution, shall certify to the treasurer and the water development authority the principal and interest coverage ratio and amount for the following fiscal year on any infrastructure general obligation bonds issued pursuant to the provisions of article fifteen-b of this chapter.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1995, c. 130, eff. March 10, 1995; Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-17. Water development authority empowered to issue infrastructure revenue bonds and refunding bonds; creation of infrastructure revenue debt service fund; funding of infrastructure revenue debt service fund; requirements and manner of such issuance

(a) To accomplish the purpose and intent of this article, the water development authority is hereby empowered at the written request of the council to issue from time to time infrastructure revenue bonds of the state in such principal amounts as the council deems necessary to make loans and loan guarantees and other forms of financial assistance to project sponsors for one or more projects or infrastructure projects: Provided, That the water development authority may not issue any such bonds, other than refunding bonds, unless the council by resolution determines that the aggregate cost of the projects or infrastructure projects expected to be constructed during any annual period exceeds (1) the projected annual infrastructure revenues for the same period, and (2) the principal and interest payments not otherwise pledged to the infrastructure revenue debt service fund that are due the water development authority on all outstanding loans previously made by the water development authority pursuant to the provisions of this article.

(b) The proceeds of infrastructure revenue bonds shall be used solely for the purpose of making loans and loan guarantees and other forms of financial assistance to sponsors of one or more projects or infrastructure projects, and shall be deposited in one or more special accounts with the trustee under the trust agreement securing such bonds and disbursed from time to time for projects or infrastructure projects in accordance with this article: Provided, That notwithstanding any provision of this code to the contrary, twenty percent of the funds deposited in the special account shall be dedicated for the purpose of providing funding for costs of infrastructure projects as defined in subsection (*l*), section two, of this article.

(c) The water development authority may not authorize the disbursement of any proceeds of infrastructure revenue bonds unless it has received documentation from the council pursuant to the provisions of section ten of this article.

(d) There is hereby created in the water development authority a special fund which shall be designated and known as the "West Virginia Infrastructure

Revenue Debt Service Fund," into which shall be transferred solely from the loan repayments deposited in the infrastructure fund the amounts certified by the director of the water development authority as necessary to pay the principal, premium, if any, and interest on infrastructure revenue bonds and any reserve requirements, subject to the terms of any agreement with the holders of the infrastructure revenue bonds. All amounts deposited in the West Virginia infrastructure revenue debt service fund shall be pledged to the repayment of the principal, interest and redemption premium, if any, on any infrastructure revenue bonds authorized by this article: Provided, That amounts on deposit in the fund may be used to establish or maintain reserves created for the purposes of securing such infrastructure revenue bonds. The pledge shall be valid and binding from the time the pledge is made, and the West Virginia infrastructure revenue debt service fund so pledged shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the water development authority irrespective of whether the parties have notice thereof.

(e) Except as may otherwise be expressly provided in this article or by resolution of the water development authority, every issue of infrastructure revenue bonds shall be special obligations of the water development authority payable solely from amounts in the West Virginia infrastructure revenue debt service fund, and the reserves created for this purpose by the water development authority, without preference or priority among the bonds regardless of when issued, subject only to any agreements with the holders of any bonds to the contrary. All such bonds are hereby declared to be negotiable instruments.

(f) Infrastructure revenue bonds shall be authorized by resolution of the water development authority. These bonds shall bear such dates and shall mature at such times, in case of any note or renewal thereof not exceeding five years from the date of issue of the original note, and in the case of any bond not exceeding fifty years from the date of issue, as the resolution may provide. Infrastructure revenue bonds shall bear interest at a rate or rates, including variable rates, shall be taxable or tax-exempt, shall be in the denominations, shall be in registered form, shall carry the registration privileges, shall be payable in the medium and place of payment, and shall be subject to the terms of redemption as the water development authority may authorize. Infrastructure revenue bonds may be sold by the water development authority at public or private sale at the price the water development authority determines in consultation with the council. Infrastructure revenue bonds shall be executed by the chairman and the vice chairman of the water development authority, either or both of whom may use a facsimile signature. The official seal of the water development authority or a facsimile thereof shall be affixed thereto or printed thereon and attested by manual or facsimile signature by the secretary-treasurer of the water development authority. If any officer whose signature, or a facsimile of whose signature appears on any infrastructure revenue bond ceases to be such officer before delivery of such bond, such signature or

facsimile is nevertheless sufficient for all purposes to the same extent as if he or she had remained in office until such delivery, and if the seal of the water development authority has been changed after a facsimile has been imprinted on such bond, the facsimile will continue to be sufficient for all purposes.

(g) Any resolution authorizing any infrastructure revenue bonds may contain provisions, subject to any agreement with bondholders or noteholders which may then exist, which agreements shall be part of the contract with the holder thereof, with respect to the pledge of or other use and disposition of amounts in the infrastructure revenue debt service fund; the setting aside of reserve funds; the disposition of any assets of the water development authority; limitations on the purpose to which the proceeds of sale of bonds may be applied; the authorization of notes issued in anticipation of the issuance of bonds; an agreement of the water development authority to do all things necessary for the authorization, issuance and sale of such bonds in such amounts as may be necessary for the timely retirement of such notes; limitations on the issuance of additional bonds; the terms upon which additional bonds may be issued and secured; the refunding of outstanding bonds and the renewal of outstanding notes; the procedures, if any, by which the terms of any contract with bondholders or noteholders may be amended or abrogated; the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given; and any other matter which in any way affects the security for or protection of the bonds.

(h) In the event that the sum of all reserves pledged to the payment of the bonds is less than the minimum reserve requirements established in any resolution or resolutions authorizing the issuance of the bonds, the chairman or the director of the water development authority shall certify, on or before the first day of December of each year, the amount of such deficiency to the governor of the state for inclusion, if the governor shall so elect, of the amount of such deficiency in the budget to be submitted to the next session of the Legislature for appropriation to the water development authority to be pledged for payment of such bonds: Provided, That the Legislature shall not be required to make any appropriations so requested, and the amount of such deficiencies shall not constitute a debt or liability of the state.

(i) Neither the officers or board members of the water development authority, nor any person executing the infrastructure revenue bonds, shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-18. Trustee for holders of infrastructure revenue bonds; contents of trust agreement

(a) Any infrastructure revenue bonds issued by the water development authority under this article shall be secured by a trust agreement between the water development authority and a corporate trustee, which trustee may be any trust company or banking institution having the powers of a trust company within this state.

(b) Any trust agreement may pledge or assign the infrastructure revenue debt service fund. Any trust agreement or any resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as are reasonable and proper and not in violation of law, including the provisions contained in section seventeen of this article, and covenants setting forth the duties of the water development authority in respect to the payment of the principal of and interest, charges and fees on loans made to, or bond purchases from, governmental agencies from the proceeds of the bonds, and the custody, safeguarding and application of all moneys. Any banking institution or trust company incorporated under the laws of this state which may act as depository of the proceeds of bonds or of the infrastructure debt service fund shall furnish such indemnifying bonds or pledge securities as are required by the water development authority. The trust agreement may set forth the rights and remedies of the bondholders and noteholders and of the trustee and may restrict individual rights of action by bondholders and noteholders as customarily provided in trust agreements or trust indentures securing similar bonds and notes. The trust agreement may contain such other provisions as the water development authority deems reasonable and proper for the security of the bondholders or noteholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as part of the cost of the construction, renovation, repair, improvement or acquisition of a project or infrastructure project.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-19. Legal remedies of infrastructure revenue bondholders or noteholders and trustees

Any holder of infrastructure revenue bonds issued pursuant to this article and the trustee under any trust agreement, except to the extent the rights given by this article may be restricted by the applicable resolution or trust agreement, may by civil action, mandamus or other proceedings protect and enforce any rights granted under the laws of this state or granted under this article, by the trust agreement or by the resolution in the issuance of the bonds, and may enforce and compel the performance of all duties required by this article, pursuant to the trust agreement or resolution, to be performed by the water development authority or any officer thereof.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-20. Infrastructure revenue bonds lawful investments

All infrastructure revenue bonds issued pursuant to this article shall be lawful investments for banking institutions, societies for savings, building and loan associations, savings and loan associations, deposit guarantee associations, trust companies, and insurance companies, including domestic for life and domestic not for life insurance companies.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-21. Purchase and cancellation of infrastructure revenue bonds

(a) The water development authority, subject to such agreements with noteholders or bondholders as may then exist, shall have the power, from any funds available therefor, to purchase or redeem infrastructure revenue bonds of the water development authority.

(b) If the infrastructure revenue bonds are then redeemable, the price of the purchase shall not exceed the redemption price then applicable, plus accrued interest to the next interest payment date thereon. If the infrastructure revenue bonds are not then redeemable, the price of the purchase shall not exceed the redemption price applicable on the first date after the purchase upon which the bonds become subject to redemption, plus accrued interest to such date. Upon purchase or redemption, the bonds shall be canceled.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-22. Refunding revenue bonds

Any infrastructure revenue bonds issued pursuant to the provisions of this article and at any time outstanding may at any time and from time to time be refunded by the water development authority by the issuance of its refunding revenue bonds in an amount it deems necessary to refund the principal of the bonds to be refunded, together with any unpaid interest thereon, to provide additional funds for the water development authority to accomplish the purpose of this article, and to pay any premiums and commissions necessary to be paid in connection therewith. Any refunding may be effected whether the infrastructure revenue bonds to be refunded shall have then matured or shall thereafter mature: Provided, That the holders of any infrastructure revenue bonds so to be refunded shall not be compelled without their consent to surrender their infrastructure revenue bonds for payment or exchange prior to the date on which they are payable or, if they are called for redemption, prior to the date on which they are by their terms subject to redemption. Any refunding revenue bonds issued pursuant to this article shall be payable from the West Virginia infrastructure revenue debt service fund, and shall be subject to the provisions contained in section seventeen of this article, and shall be secured in accordance with the provisions of sections seventeen and eighteen of this article.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-23. Infrastructure revenue bonds not debt of state, county, municipality or any political subdivision

Infrastructure revenue bonds issued pursuant to the provisions of this article shall not constitute a debt or a pledge of the faith and credit or taxing power of this state or of any county, municipality or any other political subdivision of this state. The holders or owners thereof shall have no right to have taxes levied by the Legislature or the taxing authority of any county, municipality or any other political subdivision of this state for the payment of the principal thereof or interest thereon. The bonds shall be payable solely from the

revenues and funds pledged for their payment as authorized by this article. All such bonds shall contain on the face thereof a statement to the effect that the bonds, as to both principal and interest, are not debts of the state or any county, municipality or political subdivision thereof, but are payable solely from revenues and funds pledged for their payment.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

§ 31-15A-24. Infrastructure revenue bonds exempt from taxation

The exercise of the powers granted to the water development authority by this article will be in all respects for the benefit of the people of the state, for the improvement of their health, safety, convenience and welfare and for the enhancement of their residential, agricultural, recreational, economic, commercial and industrial opportunities and is for a public purpose. As the construction, acquisition, repair or renovation of projects or infrastructure projects will constitute the performance of essential governmental functions, the water development authority shall not be required to pay any taxes or assessments upon any project or upon any property acquired or used by the water development authority or upon the income therefrom. The infrastructure revenue bonds and all interest and income thereon shall be exempt from all taxation by this state, or any county, municipality, political subdivision or agency thereof, except estate taxes.

Acts 1998, c. 180, eff. 90 days after March 14, 1998.

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapters 31 to 31E

2009 Cumulative Annual Pocket Part

Replacing 2008 Pocket Part supplementing 2002 Main Volume

Includes laws through the 2009 Second Extraordinary Session

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Fund as may be necessary for the protection of the prior rights of the holders of bonds issued at different times under the provisions of this section or section eleven-a, article six, chapter five of this code. The bonds issued pursuant to this section shall be separate from all other bonds which may be or have been issued from time to time under the provisions of section eleven-a, article six, chapter five of this code. The Education, Arts, Sciences and Tourism Debt Service Fund shall be pledged solely for the repayment of bonds issued pursuant to this section and section eleven-a, article six, chapter five of this code. On or prior to May 1 of each year, commencing May 1, 2010, the authority shall certify to the state lottery director the principal and interest and coverage ratio requirements for the following fiscal year on any revenue bonds or refunding revenue bonds issued pursuant to this section, and for which moneys deposited in the Education, Arts, Sciences and Tourism Debt Service Fund have been pledged, or will be pledged, for repayment pursuant to this section.

(3) After the authority has issued bonds authorized by this section, and after the requirements of all funds have been satisfied, including coverage and reserve funds established in connection with the bonds issued pursuant to this section, any balance remaining in the Education, Arts, Sciences and Tourism Debt Service Fund may be used for the redemption of any of the outstanding bonds issued under this section which, by their terms, are then redeemable or for the purchase of the outstanding bonds at the market price, but not to exceed the price, if any, at which redeemable, and all bonds redeemed or purchased shall be immediately canceled and shall not again be issued.

(b) The authority shall expend sixty percent of the bond proceeds, net of issuance costs, reserve funds and refunding costs, for certified capital improvement projects at state institutions of higher education. The Higher Education Policy Commission shall submit a proposed list of projects which will receive funds from the bond proceeds to the Governor on or before January 1, 2010. Thereafter, the Governor shall certify to the authority on or before February 1, 2010, a list of those capital improvement projects at state institutions of higher education which will receive funds from the proceeds of bonds issued pursuant to this section. Once certified, the list may not thereafter be altered or amended other than by legislative enactment.

(c) The authority shall expend the balance of the bond proceeds for certified projects at state parks, the capitol complex, other state facilities or tourism sites. The secretary of the department of administration, the director of the division of natural resources, the director of the West Virginia development office and a representative of the capitol building commission other than the secretary of the department of administration, who shall be selected by the capitol building commission shall submit a proposed list of projects which will receive funds from the bond proceeds to the Governor on or before January 1, 2010. Thereafter, the Governor shall certify to the authority on or before February 1, 2010, a list of those capital improvement projects at state parks, the state capitol complex, other state facilities or tourism sites which will receive funds from the proceeds of bonds issued pursuant to this section. Once certified, the list may not thereafter be altered or amended other than by legislative enactment.

Acts 2009, 1st Ex. Sess., c. 14, eff. June 2, 2009.

ARTICLE 15A

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

Section		Section	
31-15A-3.	West Virginia Infrastructure and Jobs Development Council continued; members of council; staff of council.	31-15A-11.	Reservation of funds for projec and infrastructure projects.
		31-15A-16.	Dedication of severance tax pr ceeds.
31-15A-6.	Powers, duties and responsibilities of the council generally; comprehensive assessment.	31-15A-17a.	Infrastructure revenue bonds pa able from A. James Manch Fund.

§ 31-15A-3. West Virginia Infrastructure and Jobs Development Council continued; members of council; staff of council.

(a) The West Virginia infrastructure and Jobs Development Council is continued. The council is a governmental instrumentality of the state. The exercise by the council of the powers conferred by this article and the carrying out of its purpose and duties shall be considered and held to be, and are determined to be, essential governmental functions and for a public purpose.

(b) The council shall consist of thirteen members, including:

(1) The Governor or designee;

(2) The Executive Director of the Housing Development Fund or his or her designee;

(3) The director of the Division of Environmental Protection or his or her designee;

(4) The director of the Economic Development Authority or his or her designee;

(5) The Director of the Water Development Authority or his or her designee;

(6) The Director of the Division of Health or his or her designee;

(7) The chairman of the Public Service Commission or his or her designee; and

(8) Six members representing the general public: *Provided*, That there shall be at least one member representing the general public from each congressional district. No more than one member representing the general public may be a resident of the same county.

(c) The Governor shall appoint the public members of the Council who shall serve three-year staggered terms.

(d) The Commissioner of the Division of Highways, the Executive Director of the state rail authority, two members of the West Virginia Senate, two members of the West Virginia House of Delegates, the Chancellor of the Higher Education Policy commission and the Chancellor of the West Virginia Council for Community and Technical College Education serve as advisory members of the council. The advisory members shall be ex officio, nonvoting members of the Council.

(e) The Governor shall appoint the legislative members of the council: *Provided*, That no more than three of the legislative members may be of the same political party.

(f) The Governor shall appoint the representatives of the governing boards from a list of three names submitted by each governing board.

(g) The Governor or designee shall serve as chairman and the council shall annually appoint a vice chairperson and shall appoint a secretary, who need not be a member of the Council and who shall keep records of its proceedings. Seven members of the Council shall constitute a quorum and the affirmative vote of at least the majority of those members present shall be necessary for any action taken by vote of the Council. A vacancy in the membership of the council does not impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the council.

(h) A member of the Council who serves by virtue of his or her office does not receive compensation or reimbursement of expenses for serving as a member. The public members are reimbursed for actual expenses incurred in the service of the Council in a manner consistent with guidelines of the travel management office of the Department of Administration.

(i) The Council meets at least monthly to review projects and infrastructure projects requesting funding assistance and otherwise to conduct its business and may meet more frequently if necessary. Notwithstanding any other provision of this article to the contrary, the Economic Development Authority is not subject to council review with regard to any action taken pursuant to the authority established in article fifteen, chapter thirty-one of this code. The Governor's civil contingent fund is not subject to council review with regard to projects or infrastructure projects funded through the Governor's Civil Contingent Fund.

(j) The Water Development Authority shall provide office space for the council and each governmental agency represented on the council shall provide staff support for the council in the manner determined appropriate by the council.

(k) The Council shall invite to each meeting one or more representatives of the United States Department of Agriculture, Rural Economic Community Development, the United States Economic Development Agency and the United States Army Corps of Engineers or any successors thereto. The council shall invite other appropriate parties as is necessary to effectuate the purposes of this article.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1995, c. 130, eff. March 10, 1995; Acts 2005, 1st Ex. Sess., c. 3, eff. Jan. 29, 2005; Acts 2009, c. 221, eff. April 10, 2009.

Historical and Statutory Notes

Acts 2005, 1st Ex. Sess., c. 3, rewrote (b); in (c), substituted "The governor or designee shall serve as chairman and the council shall annually appoint a vice chairperson" for "The council shall annually elect one of its members as chairman"; rewrote (d); and made nonsubstantive changes throughout the section. Prior to revision, (b) and (d) read:

"(b) The council shall consist of eleven members, including the executive director of the housing development fund or his or her designee, the director of the division of environmental protection or his or her designee, the director of the economic development authority or his or her designee, the director of the water development authority or his or her designee, the executive director of the state development office or his or her designee, the director of the division of health or his or her designee, the chairman of the public service commission or his or her designee, and four members representing the general public: Provided, That there shall be at least one member representing the general public from each congressional district: Provided, however, That after the expiration of the term of office of the members first appointed as representatives of the general public, no more than one member representing the general public may be a resident of the same county. The governor shall appoint the public members of the council who shall serve three-year staggered terms. The commissioner of the division of highways, the executive director of the state rail authority, two members of the West Virginia Senate, two members of the West Virginia House of Delegates, one representative of the board of directors of the state college system and one representative of the board of trustees of the university of West Virginia shall serve as advisory members of the council. The governor shall appoint the legislative members of the council: Provided further, That no more than three of the legislative members may be of the same political party. The governor shall appoint the representatives of the governing boards from a list of three names submitted by each governing board. The advisory members shall be ex officio, nonvoting members of the council."

"(d) No member of the council who serves by virtue of his or her office shall receive any compensation or reimbursement of expenses for serving as a member. The members of the council who represent the general public shall receive reimbursement for actual expenses incurred in the service of the council."

Acts 2009, c. 221, rewrote this section, which formerly read:

"(a) The West Virginia infrastructure and jobs development council is hereby continued. The council is a governmental instrumentality of the state. The exercise by the council of the powers conferred by this article and the carrying out of its purpose and duties shall be considered and held to be, and are hereby determined to be, essential governmental functions and for a public purpose.

"(b) The council shall consist of eleven members, including the governor or designee, the executive director of the housing development fund or his or her designee, the director of the division of environmental protection or his or her designee, the director of the economic development authority or his or her designee, the director of the water development authority or his or her designee, the director of the division of health or his or her designee, the chairman of the public service commission or his or her designee, and four members representing the general public: *Provided*, That there shall be at least one member representing the general public from each congressional district: *Provided, however*, That after the expiration of the term of office of the members first appointed as representatives of the general public, no more than one member representing the general public may be a resident of the same county. The governor shall appoint the public members of the council who shall serve three-year staggered terms. The commissioner of the division of highways, the executive director of the state rail authority, two members of the West Virginia Senate, two members of the West Virginia House of Delegates, the chancellor of the higher education policy commission and the chancellor of the West Virginia council for community and technical college education serve as advisory members of the council. The governor shall appoint the legislative members of the council: *Provided further*, That no more than three of the legislative members may be of the same political party. The governor shall appoint the representatives of the governing boards from a list of three names submitted by each governing board. The advisory members shall be ex officio, nonvoting members of the council.

"(c) The governor or designee shall serve as chairman and the council shall annually appoint a

vice chairperson and shall appoint a secretary, who need not be a member of the council and who shall keep records of its proceedings. Six members of the council shall constitute a quorum and the affirmative vote of at least the majority of those members present shall be necessary for any action taken by vote of the council. A vacancy in the membership of the council does not impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the council.

"(d) A member of the council who serves by virtue of his or her office does not receive compensation or reimbursement of expenses for serving as a member. The public members are reimbursed for actual expenses incurred in the service of the council in a manner consistent with guidelines of the travel management office of the department of administration.

"(e) The council meets at least monthly to review projects and infrastructure projects requesting funding assistance and otherwise to conduct its business and may meet more frequently if necessary. Notwithstanding any other provision of this article to the contrary, the economic development authority is not subject to council review with regard to any action taken pursuant to the authority established in article fifteen, chapter thirty-one of this code. The governor's civil contingent fund is not subject to council review with regard to projects or infrastructure projects funded through the governor's civil contingent fund.

"(f) The water development authority shall provide office space for the council and each governmental agency represented on the council shall provide staff support for the council in the manner determined appropriate by the council.

"(g) The council shall invite to each meeting one or more representatives of the United States department of agriculture, rural economic community development, the United States economic development agency and the United States army corps of engineers or any successors thereto. The council shall invite such other appropriate parties as is necessary to effectuate the purposes of this article."

§ 31-15A-6. Powers, duties and responsibilities of the council generally; comprehensive assessment

(a) In addition to the powers set forth elsewhere in this article, the council is granted, has and may exercise all powers necessary or appropriate to carry out and effectuate the purposes and intent of this article. The council shall have the power and capacity to:

(1) Provide consultation services to project sponsors in connection with the planning, acquisition, improvement, construction or development of any infrastructure project or project;

(2) Periodically prepare a list of infrastructure projects or projects which cannot meet the established funding guidelines of the various state infrastructure agencies, other than the Housing Development Fund, but which are consistent with the mandates of this article and recommend to the Water Development Authority that it make a grant or loan to the project sponsors from the infrastructure fund to finance the cost of one or more such projects or infrastructure projects;

(3) Do all other acts necessary and proper to carry out the powers expressly granted to the authority in this article; and

(4) Make and execute contracts, commitments, and obligations and other instruments necessary or convenient for the exercise of its powers.

(b) The council shall develop a comprehensive statewide inventory of water supply systems and sewage treatment systems and an assessment of current and future needs. The assessment shall identify the areas of the state which do not have adequate public water or sewage systems and offer recommendations for the construction of new facilities or the extension or expansion of existing facilities to meet the identified needs. The council shall include in the assessment an identification of the obstacles, issues and problems which prevent or inhibit development of adequate infrastructure throughout the state, including financial, governmental, physical, or geographical factors and make recommendation as the council considers appropriate regarding the obstacles, issues or problems identified. This comprehensive inventory and assessment shall be updated at least once in every three-year period after the initial assessment and inventory is completed in 1996.

(c) The council shall study the viability of the consolidation of public service districts throughout the state. The council shall report their findings and conclusions on or before January 16, 1995 to the Governor, Speaker of the House of Delegates and President of the Senate.

Acts 1994, 1st Ex. Sess., c. 26; Acts 2009, c. 221, eff. April 10, 2009.

Historical and Statutory Notes

Acts 2009, c. 221, rewrote this section, which formerly read:

"(a) In addition to the powers set forth elsewhere in this article, the council is hereby granted, has and may exercise all powers necessary or appropriate to carry out and effectuate the purposes and intent of this article. The council shall have the power and capacity to:

"(1) Provide consultation services to project sponsors in connection with the planning, acquisition, improvement, construction or development of any infrastructure project or project;

"(2) Periodically prepare a list of infrastructure projects or projects which cannot meet the established funding guidelines of the various state infrastructure agencies, other than the housing development fund, but which are consistent with the mandates of this article and recommend to the water development authority that it make a grant or loan to the project sponsors from the infrastructure fund to finance the cost of one or more such projects or infrastructure projects;

"(3) Do all other acts necessary and proper to carry out the powers expressly granted to the authority in this article; and

"(4) Make and execute contracts, commitments and obligations and other instruments necessary or convenient for the exercise of its powers.

"(b) The council shall develop a comprehensive statewide inventory of water supply systems and sewage treatment systems and an assessment of current and future needs by the first day of July, one thousand nine hundred ninety-six. The assessment shall identify the areas of the st which do not have adequate public water or s age systems and offer recommendations for construction of new facilities or the extension expansion of existing facilities to meet the ide fied needs. The council shall include in the sessment an identification of the obstacles, iss and problems which prevent or inhibit deve ment of adequate infrastructure throughout state, including financial, governmental, phys or geographical factors and make recommenda as the council considers appropriate regarding obstacles, issues or problems identified. comprehensive inventory and assessment shal updated at least once in every three-year pe after the initial assessment and inventory is c pleted.

"(c) The council shall study the viability of consolidation of public service districts throug the state: Provided, That the study shall en pass not only public service districts but also and all entities which provide or supply water sewer service to the general public: Provi however, That the council shall, in the prepar of the study, consult with the public service dis division of the public service commission and resentatives of the West Virginia rural water ciation and the West Virginia association of p service districts, as needed. The council report their findings and conclusions on or b the sixteenth of January of the year one thou nine hundred ninety-five to the governor, spe of the house of delegates and president of senate."

§ 31-15A-11. Reservation of funds for projects and infrastructure projects

Eighty percent of the funds deposited in the West Virginia infrastructure fund shal dedicated for the purpose of providing funding for the cost of projects as defined in subse (n), section two of this article. Twenty percent of the funds deposited in the West Vir infrastructure fund shall be dedicated for the purpose of providing funding for cost infrastructure projects as defined in subsection (l), section two of this article. Pr sponsors of infrastructure projects shall follow the application process as established by article: *Provided*, That notwithstanding any provision of this article to the contrary applications for any infrastructure project shall be submitted to the executive director o West Virginia development office for review, recommendation and approval regarding i structure project funding.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1998, c. 180, eff. 90 days after March 14, 1998; Acts 2005, 1s Sess., c. 3, eff. Jan. 29, 2005.

Historical and Statutory Notes

Acts 2005, 1st Ex. Sess., c. 3, in the last sentence, substituted "executive director of the West Virginia development office" for "council for community and economic development, or its s sor".

§ 31-15A-16. Dedication of severance tax proceeds

(a) There shall be dedicated an annual amount from the collections of the tax coll pursuant to article thirteen-a, chapter eleven of this code for the construction, exte expansion, rehabilitation, repair and improvement of water supply and sewage treat systems and for the acquisition, preparation, construction and improvement of site economic development in this state as provided in this article.

(b) Notwithstanding any other provision of this code to the contrary, beginning on the first day of July, one thousand nine hundred ninety-five, the first sixteen million dollars of the tax collected pursuant to article thirteen-a, chapter eleven of this code shall be deposited to the credit of the West Virginia Infrastructure General Obligation Debt Service Fund created pursuant to section three, article fifteen-b of this chapter: *Provided,* That beginning on the first day of July, one thousand nine hundred ninety-eight, the first twenty-four million dollars of the tax annually collected pursuant to article thirteen-a of this code shall be deposited to the credit of the West Virginia Infrastructure General Obligation Debt Service Fund created pursuant to section three, article fifteen-b of this chapter.

(c) Notwithstanding any provision of subsection (b) of this section to the contrary: (1) None of the collections from the tax imposed pursuant to section six, article thirteen-a, chapter eleven of this code shall be so dedicated or deposited; and (2) the portion of the tax imposed by article thirteen-a, chapter eleven and dedicated for purposes of medicaid and the Division of Forestry pursuant to section twenty-a of said article thirteen-a shall remain dedicated for the purposes set forth in said section twenty-a.

(d) On or before the first day of May of each year, commencing the first day of May, one thousand nine hundred ninety-five, the council, by resolution, shall certify to the treasurer and the water development authority the principal and interest coverage ratio and amount for the following fiscal year on any infrastructure general obligation bonds issued pursuant to the provisions of article fifteen-b of this chapter.

(e) Notwithstanding any provision of this article to the contrary, the tax on coalbed methane remitted by the Tax Commissioner for deposit in the West Virginia Infrastructure Fund pursuant to section twenty-a, article thirteen-a, chapter eleven of this code shall be distributed as follows: (1) Seventy-five percent of the moneys so deposited shall be distributed for infrastructure projects in the various counties of this state in which the coalbed methane was produced, and (2) the remaining twenty-five percent of the moneys so deposited shall be distributed equally to the various counties of this state in which no coalbed methane was produced for infrastructure projects. Moneys shall be distributed to each coalbed methane producing county in direct proportion to the amount of tax paid by the county using information provided by the Tax Commissioner as required in section twenty-a, article thirteen-a, chapter eleven of this code.

Acts 1994, 1st Ex. Sess., c. 26; Acts 1995, c. 130, eff. March 10, 1995; Acts 1998, c. 180, eff. 90 days after March 14, 1998; Acts 2008, c. 213, eff. June 7, 2008.

Historical and Statutory Notes

Acts 2008, c. 213, added subsec. (e).

§ 31–15A–17a. Infrastructure revenue bonds payable from A. James Manchin Fund

Notwithstanding any other provision of this code to the contrary, the Water Development Authority may issue, in accordance with the provisions of section seventeen of this article, infrastructure revenue bonds payable from the A. James Manchin Fund created by section nine, article fifteen-a, chapter twenty-two of this code and such other sources as may be legally pledged for such purposes other than the West Virginia Infrastructure Revenue Debt Service Fund created by section seventeen of this article.

Acts 2003, c. 251, eff. 90 days after March 8, 2003; Acts 2005, c. 199, eff. 90 days after April 9, 2005.

ARTICLE 15C

BROADBAND DEPLOYMENT

Section	
31–15C–1.	Legislative findings and purpose.
31–15C–2.	Definitions.
31–15C–3.	Broadband Deployment Council established; members of council; administrative support.
31–15C–4.	Powers and duties of the council generally.
31–15C–5.	Creation of the Broadband Deployment Fund.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 22C, ARTICLE 1 OF THE WEST VIRGINIA CODE, AND CHAPTER 22C, ARTICLE 1 OF THE 2009 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
June 8, 2010

Secretary of State

CHAPTER 22C

ENVIRONMENTAL RESOURCES; BOARDS, AUTHORITIES, COMMISSIONS AND COMPACTS

Article		Section
1.	WATER DEVELOPMENT AUTHORITY	22C-1-1
2.	WATER POLLUTION CONTROL REVOLVING FUND ACT	22C-2-1
3.	SOLID WASTE MANAGEMENT BOARD	22C-3-1
4.	COUNTY AND REGIONAL SOLID WASTE AUTHORITIES	22C-4-1
4A.	LOCAL PARTICIPATION; REFERENDUM	22C-4A-1
5.	COMMERCIAL HAZARDOUS WASTE MANAGEMENT FACILITY SITING BOARD	22C-5-1
6.	HAZARDOUS WASTE FACILITY SITING APPROVAL	22C-6-1
7.	ENVIRONMENTAL RESOURCES	22C-7-1
8.	SHALLOW GAS WELL REVIEW BOARD	22C-8-1
9.	OIL AND GAS CONSERVATION	22C-9-1
10.	INTERSTATE MINING COMPACT	22C-10-1
11.	INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN	22C-11-1
12.	OHIO RIVER VALLEY WATER SANITATION COMMISSION	22C-12-1

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ARTICLE 1

WATER DEVELOPMENT AUTHORITY

Section

22C-1-1. Short title.
22C-1-2. Declaration of policy and responsibility; purpose and intent of article; findings.
22C-1-3. Definitions.
22C-1-4. Water development authority; water development board; organization of authority and board; appointment of board members; their term of office, compensation and expenses; director of authority; compensation.
22C-1-5. Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements.
22C-1-6. Powers, duties and responsibilities of authority generally.
22C-1-7. Power of authority to collect service charges and exercise other powers of governmental agencies in event of default; power to require governmental agencies to enforce their rights.
22C-1-8. Expenditure of funds for study and engineering of proposed projects.
22C-1-9. Authority empowered to issue water development revenue bonds, renewal notes and refunding bonds; requirements and manner of such issuance.
22C-1-10. Trustee for bondholders; contents of trust agreement.
22C-1-11. Trust agreements for related responsibilities; reimbursements.
22C-1-12. Legal remedies of bondholders and trustees.
22C-1-13. Bonds and notes not debt of state, county, municipality or of any political subdivision; expenses incurred pursuant to article.
22C-1-14. Use of funds by authority; restrictions thereon.
22C-1-15. Investment of funds by authority.
22C-1-16. Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies.
22C-1-17. Maintenance, operation and repair of projects; reports by authority to governor and Legislature.
22C-1-18. Water development bonds lawful investments.
22C-1-19. Purchase and cancellation of notes or bonds.
22C-1-20. Refunding bonds.
22C-1-21. Exemption from taxation.
22C-1-22. Acquisition of property by authority—Acquisition by purchase; governmental agencies authorized to convey, etc., property.
22C-1-23. Same—Acquisition under subdivision (10), section six of this article; property of public utilities and common carriers; relocation, restoration, etc., of highways and public utility facilities.
22C-1-24. Financial interest in contracts prohibited; penalty.
22C-1-25. Meetings and records of authority to be kept public.
22C-1-26. Liberal construction of article.
22C-1-27. Authorized limit on borrowing.

§ 22C-1-1. Short title

This article shall be known and cited as the "Water Development Authority Act."

Acts 1994, c. 61.

Cross References

Environmental protection division, allocation of appropriations and effect on personnel, see § 22-1-10.

Administrative Code References

Water Development Authority rules, see W. Va. Code St. R. § 44-1-1 et seq.

United States Code Annotated

Grants to states, water resources planning, see 42 U.S.C.A. § 1962c et seq.
River basin commissions, see 42 U.S.C.A. § 1962b et seq.
Water resources planning, see 42 U.S.C.A. § 1962 et seq.

§ 22C-1-2. Declaration of policy and responsibility; purpose and intent of article; findings

It is hereby declared to be the public policy of the state of West Virginia and a responsibility of the state of West Virginia, through the establishment, funding, operation and maintenance of water development projects, to maintain, preserve, protect, conserve and in all instances possible to improve the purity and quality of water within the state in order to: (1) Protect and improve public health; (2) assure the fullest use and enjoyment of such water by the public; (3) provide suitable environment for the propagation and protection of animal, bird, fish, aquatic and plant life, all of which are essential to the health and well-being of the public; and (4) provide water of the necessary quality and in the amount needed for the development, maintenance and expansion of, and to attract service industries and businesses, agriculture, mining, manufacturing and other types of businesses and industries.

To assist in the preservation, protection, improvement and management of the purity and quality of the waters of this state, to prevent or abate pollution of water resources and to promote the health and welfare of citizens of this state, it is the purpose and intent of the Legislature in enacting this article to provide for the necessary, dependable, effective and efficient purification of water; the disposal of liquid and solid wastes harmful to the public health and safety removed from such water; to improve water and stream quality; and to assist and cooperate with governmental agencies in achieving all of the purposes set forth in this section.

The Legislature finds and hereby declares that the responsibility of the state as outlined above cannot be effectively met without the establishment, funding, operation and maintenance of water development projects as provided for in this article.

Acts 1994, c. 61.

Library References

Environmental Law ⇐165.
Waters and Water Courses ⇐182.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment § 172.
C.J.S. Waters §§ 483, 505.

§ 22C-1-3. Definitions

As used in this article, unless the context clearly requires a different meaning:

(1) "Authority" means the water development authority provided for in section four of this article, the duties, powers, responsibilities and functions of which are specified in this article.

(2) "Beneficial use" means a use of water by a person or by the general public that is consistent with the public interest, health and welfare in utilizing the water resources of this state, including, but not limited to, domestic, agricultural, irrigation, industrial, manufacturing, mining, power, public, sanitary, fish and wildlife, state, county, municipal, navigational, recreational, aesthetic and scenic use.

(3) "Board" means the water development authority board provided for in section four of this article, which shall manage and control the water development authority.

(4) "Bond" or "water development revenue bond" means a revenue bond or note issued by the water development authority to effect the intents and purposes of this article.

(5) "Construction" includes reconstruction, enlargement, improvement and providing furnishings or equipment.

(6) "Cost" means, as applied to water development projects, the cost of their acquisition and construction; the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights and interests required by the authority for such acquisition and construction; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of acquiring or constructing and equipping a principal office and suboffices of the authority; the cost of diverting highways, interchange of highways; access roads to private property, including the cost of land or easements therefor; the cost of all machinery, furnishings, and equipment; all financing charges, and interest prior to and during construction and for no more than eighteen months after completion of construction; the cost of all engineering services and all expenses of research and development with respect to public water or wastewater facilities; the cost of all legal services and expenses; the cost of all plans, specifications, surveys and estimates of cost and revenues; all working capital and other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing any such project; all administrative expenses and such other expenses as may be necessary or incident to the acquisition or construction of the project; the financing of such acquisition or construction, including the amount authorized in the resolution of the authority providing for the issuance of water development revenue bonds to be paid into any special funds from the proceeds of such bonds; and the financing of the placing of any such project in operation. Any obligation or expenses incurred by any governmental agency, with the approval of the authority, for surveys, borings, preparation of plans and specifications and

other engineering services in connection with the acquisition or construction of a project are a part of the cost of such project and shall be reimbursed out of the proceeds of loans or water development revenue bonds as authorized by the provisions of this article.

(7) "Establishment" means an industrial establishment, mill, factory, tannery, paper or pulp mill, mine, colliery, breaker or mineral processing operation, quarry, refinery, well and each and every industry or plant or works or activity in the operation or process of which industrial wastes or other wastes are produced.

(8) "Governmental agency" means the state government or any agency, department, division or unit thereof; counties; municipalities; watershed improvement districts; soil conservation districts; sanitary districts; public service districts; drainage districts; regional governmental authorities and any other governmental agency, entity, political subdivision, public corporation or agency having the authority to acquire, construct or operate public water or wastewater facilities; the United States government or any agency, department, division or unit thereof; and any agency, commission or authority established pursuant to an interstate compact or agreement.

(9) "Industrial wastes" means any liquid, gaseous, solid or other waste substance, or any combination thereof, resulting from or incidental to any process of industry, manufacturing, trade or business, or from or incidental to the development, processing or recovery of any natural resources; and the admixture with such industrial wastes of sewage or other wastes, as defined in this section, are also industrial wastes.

(10) "Other wastes" means garbage, refuse, decayed wood, sawdust, shavings, bark and other wood debris and residues, sand, lime, cinders, ashes, offal, night soil, silt, oil, tar, dyestuffs, acids, chemicals, and all other materials or substances not sewage or industrial wastes which may cause or might reasonably be expected to cause or to contribute to the pollution of any of the waters of this state.

(11) "Owner" includes all persons, copartnerships or governmental agencies having any title or interest in any property rights, easements and interests authorized to be acquired by this article.

(12) "Person" means any public or private corporation, institution, association, firm or company organized or existing under the laws of this or any other state or country; the United States or the state of West Virginia; any federal or state governmental agency; political subdivision; county commission; municipality; industry; sanitary district; public service district; drainage district; soil conservation district; watershed improvement district; partnership; trust; estate; person or individual; group of persons or individuals acting individually or as a group or any other legal entity whatever.

(13) "Pollution" means (a) the discharge, release, escape, deposit or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes, or other wastes, of whatever kind or character, in or near any waters of the state, in such condition, manner or quantity, as does, will, or is likely to (1)

contaminate or substantially contribute to the contamination of any of such waters, or (2) alter or substantially contribute to the alteration of the physical, chemical or biological properties of any of such waters, if such contamination or alteration, or the resulting contamination or alteration where a person only contributes thereto, is to such an extent as to make any of such waters (i) directly or indirectly harmful, detrimental or injurious to the public health, safety and welfare, or (ii) directly or indirectly detrimental to existing animal, bird, fish, aquatic or plant life, or (iii) unsuitable for present or future domestic, commercial, industrial, agricultural, recreational, scenic or other legitimate uses; and also means (b) the discharge, release, escape, deposit, or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes or other wastes, of whatever kind or character, in or near any waters of the state in such condition, manner or quantity, as does, will, or is likely to reduce the quality of the waters of the state below the standards established therefor by the United States or any department, agency, board or commission of this state authorized to establish such standards.

(14) "Project" or "water development project" means any public water or wastewater facility, the acquisition or construction of which is authorized, in whole or in part, by the water development authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including facilities, the acquisition or construction of which is authorized, in whole or in part, by the water development authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including all buildings and facilities which the authority deems necessary for the operation of the project, together with all property, rights, easements and interest which may be required for the operation of the project, but excluding all buildings and facilities used to produce electricity other than electricity for consumption by the authority in the operation and maintenance of the project.

(15) "Public roads" mean all public highways, roads and streets in this state, whether maintained by the state, county, municipality or other political subdivision.

(16) "Public utility facilities" means public utility plants or installations and includes tracks, pipes, mains, conduits, cables, wires, towers, poles and other equipment and appliances of any public utility.

(17) "Revenue" means any money or thing of value collected by, or paid to, the water development authority as rent, use or service fee or charge for use of, or in connection with, any water development project, or as principal of or interest, charges or other fees on loans, or any other collections on loans made by the water development authority to governmental agencies to finance, in whole or in part, the acquisition or construction of any water development project or projects, or other money or property which is received and may be expended for or pledged as revenues pursuant to this article.

(18) "Sewage" means water-carried human or animal wastes from residences, buildings, industrial establishments or other places, together with such groundwater infiltration and surface waters as may be present.

(19) "Water resources," "water" or "waters" means any and all water on or beneath the surface of the ground, whether percolating, standing, diffused or flowing, wholly or partially within this state, or bordering this state and within its jurisdiction, and includes, without limiting the generality of the foregoing, natural or artificial lakes, rivers, streams, creeks, branches, brooks, ponds (except farm ponds, industrial settling basins and ponds and water treatment facilities), impounding reservoirs, springs, wells and watercourses.

(20) "Wastewater" means any water containing sewage, industrial wastes, or other wastes or contaminants derived from the prior use of such water, and includes, without limiting the generality of the foregoing, surface water of the type storm sewers are designed to collect and dispose of.

(21) "Wastewater facilities" means facilities for the purpose of treating, neutralizing, disposing of, stabilizing, cooling, segregating or holding wastewater, including, without limiting the generality of the foregoing, facilities for the treatment and disposal of sewage, industrial wastes, or other wastes, wastewater, and the residue thereof; facilities for the temporary or permanent impoundment of wastewater, both surface and underground; and sanitary sewers or other collection systems, whether on the surface or underground, designed to transport wastewater together with the equipment and furnishings thereof and their appurtenances and systems, whether on the surface or underground, including force mains and pumping facilities therefor.

(22) "Water facility" means all facilities, land and equipment used for the collection of water, both surface and underground, transportation of water, treatment of water and distribution of water all for the purpose of providing potable, sanitary water suitable for human consumption and use.

Acts 1994, c. 61.

Notes of Decisions

Person 1

1. Person

The state and its political subdivisions are within the meaning of the terms "person" and "another" as those terms are used in the statute prohibiting one from obtaining money, goods, labor, services and other things of value from another person under false pretenses; thus, the state and its political subdivisions may be the victim of that offense. Code, 61-3-24(a, d); Code, 61-3-24(a, b) (1993); Code, 61-3-24(a, b) (1987). State v. Zain, 1999, 528 S.E.2d 748, 207 W.Va. 54, certiorari denied 120 S.Ct. 1541, 529 U.S. 1042, 146 L.Ed.2d 354. False Pretenses ⚷ 1

§ 22C-1-4. Water development authority; water development board; organization of authority and board; appointment of board members; their term of office, compensation and expenses; director of authority; compensation

(a) The water development authority is continued. The authority is a governmental instrumentality of the state and a body corporate. The exercise by the authority of the powers conferred by this article and the carrying out of its

purposes and duties are essential governmental functions and for a public purpose.

(b) The authority is controlled, managed and operated by a seven-member board known as the water development board. The governor or designee, the secretary of the department of environmental protection or designee and the commissioner of the bureau for public health or designee are members ex officio of the board. Four members are appointed by the governor, by and with the advice and consent of the Senate, for six-year terms, which are staggered in accordance with the initial appointments under prior enactment of this section. In the event of a vacancy, appointments are filled in the same manner as the original appointment for the remainder of the unexpired term. A member continues to serve until the appointment and qualification of the successor. More than two appointed board members may not at any one time belong to the same political party. Appointed board members may be reappointed to serve additional terms.

(c) All members of the board shall be citizens of the state. Each appointed member of the board, before entering upon his or her duties, shall comply with the requirements of article one, chapter six of this code and give bond in the sum of twenty-five thousand dollars in the manner provided in article two of said chapter. The governor may remove any board member for cause as provided in article six of said chapter.

(d) The governor or designee serves as chair. The board annually elects one of its appointed members as vice chair and appoints a secretary-treasurer, who need not be a member of the board. Four members of the board is a quorum and the affirmative vote of four members is necessary for any action taken by vote of the board. A vacancy in the membership of the board does not impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the board and the authority. The person appointed as secretary-treasurer, including a board member if so appointed, shall give bond in the sum of fifty thousand dollars in the manner provided in article two, chapter six of this code.

(e) The governor or designee, the secretary of the department of environmental protection and the commissioner of the bureau for public health do not receive compensation for serving as board members. Each appointed member receives an annual salary of twelve thousand dollars, payable in monthly installments. Each of the seven board members is reimbursed for all reasonable and necessary expenses actually incurred in the performance of duties as a member of the board in a manner consistent with guidelines of the travel management office of the department of administration. All expenses incurred by the board are payable solely from funds of the authority or from funds appropriated for that purpose by the Legislature. Liability or obligation is not incurred by the authority beyond the extent to which moneys are available from funds of the authority or from such appropriations.

(f) There is a director of the authority appointed by the governor, with the advice and consent of the Senate, who serves at the governor's will and

pleasure. The director is responsible for managing and administering the daily functions of the authority and for performing other functions necessary to the effective operation of the authority. The compensation of the director is fixed annually by the board.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2001, c. 262, eff. April 14, 2001; Acts 2002, c. 267, eff. 90 days after March 9, 2002; Acts 2005, 1st Ex. Sess., c. 3, eff. Jan. 29, 2005.

Library References

Environmental Law ⟹216.
Waters and Water Courses ⟹18.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 368, 377 to 379.

§ 22C-1-5. Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements

To accomplish the public policies and purposes and to meet the responsibility of the state as set forth in this article, the water development authority may initiate, acquire, construct, maintain, repair and operate water development projects or cause the same to be operated pursuant to a lease, sublease or agreement with any person or governmental agency; may make loans and grants to governmental agencies for the acquisition or construction of water development projects by governmental agencies, which loans may include amounts to refinance debt issued for existing water development projects of the governmental agency when the refinancing is in conjunction with the financing for a new water development project regardless of the source of the financing for the new project: Provided, That the amount of the refinancing may not exceed fifty percent of the aggregate amount of the refinancing of an existing project and the financing of a new project; and may issue water development revenue bonds of this state, payable solely from revenues, to pay the cost of projects, or finance projects, in whole or in part, by loans to governmental agencies. A water development project shall not be undertaken unless it has been determined by the authority to be consistent with any applicable comprehensive plan of water management approved by the director of the division of environmental protection or in the process of preparation by the director and to be consistent with the standards set by the state environmental quality board, for the waters of the state affected thereby. Any resolution of the authority providing for acquiring or constructing projects or for making a loan or grant for projects shall include a finding by the authority that the determinations have been made. A loan agreement shall be entered into between the authority and each governmental agency to which a loan is made for the acquisition or construction of a water development project, which loan agreement shall include, without limitation, the following provisions:

(1) The cost of the project, the amount of the loan, the terms of repayment of the loan and the security therefor, which may include, in addition to the pledge of all revenues from the project after a reasonable allowance for operation and

maintenance expenses, a deed of trust or other appropriate security instrument creating a lien on the project;

(2) The specific purposes for which the proceeds of the loan shall be expended including the refinancing of existing water development project debt as provided above, the procedures as to the disbursement of loan proceeds and the duties and obligations imposed upon the governmental agency in regard to the construction or acquisition of the project;

(3) The agreement of the governmental agency to impose, collect, and, if required to repay the obligations of the governmental agency under the loan agreement, increase service charges from persons using the project, which service charges shall be pledged for the repayment of the loan together with all interest, fees and charges thereon and all other financial obligations of the governmental agency under the loan agreement; and

(4) The agreement of the governmental agency to comply with all applicable laws, rules and regulations issued by the authority or other state, federal and local bodies in regard to the construction, operation, maintenance and use of the project.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995.

Library References

Environmental Law ⟹216, 216.
Waters and Water Courses ⟹18, 18.
Westlaw Topic Nos. 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 368, 377 to 379.

Notes of Decisions

In general 1

1. In general

Statute authorizes Water Development Authority (WDA) to directly impose on public service district, which operates public utility as defined by separate statutory provision, in its own name and for its own benefit service charges determined by it to be necessary when public service district defaults on loan made by Water Development Authority to public service district; however, Water Development Authority's power to impose such service charges upon public service district which operates public utility is subject to regulatory review and approval of Public Service Commission (PSC) pursuant to separate statute. Code, 22C-1-7, 24-1-2, 24-2-1. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Waters And Water Courses ⟹ 183.5

§ 22C-1-6. Powers, duties and responsibilities of authority generally

The water development authority, has and may exercise all powers necessary or appropriate to carry out and effectuate its corporate purpose. The authority has the power and capacity to:

(1) Adopt, and from time to time, amend and repeal bylaws necessary and proper for the regulation of its affairs and the conduct of its business and rules to implement and make effective its powers and duties, such rules to be promulgated in accordance with the provisions of chapter twenty-nine-a of this code.

(2) Adopt an official seal.

(3) Maintain a principal office and, if necessary, regional suboffices at locations properly designated or provided.

(4) Sue and be sued in its own name and plead and be impleaded in its own name, and particularly to enforce the obligations and covenants made under sections nine, ten and sixteen of this article. Any actions against the authority shall be brought in the circuit court of Kanawha County in which the principal office of the authority shall be located.

(5) Make loans and grants to governmental agencies for the acquisition or construction of water development projects by any such governmental agency and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules and procedures for making such loans and grants.

(6) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to, or contract for operation by a governmental agency or person, water development projects, and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules for the use of such projects.

(7) Make available the use or services of any water development project to one or more persons, one or more governmental agencies, or any combination thereof.

(8) Issue water development revenue bonds and notes and water development revenue refunding bonds of the state, payable solely from revenues as provided in section nine of this article unless the bonds are refunded by refunding bonds, for the purpose of paying all or any part of the cost of, or financing by loans to governmental agencies, one or more water development projects or parts thereof.

(9) Acquire by gift or purchase, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties as set forth in this article.

(10) Acquire in the name of the state, by purchase or otherwise, on such terms and in such manner as it deems proper, or by the exercise of the right of eminent domain in the manner provided in chapter fifty-four of this code, such public or private lands, or parts thereof or rights therein, rights-of-way, property, rights, easements and interests it deems necessary for carrying out the provisions of this article, but excluding the acquisition by the exercise of the right of eminent domain of any public water or wastewater facilities operated under permits issued pursuant to the provisions of article eleven, chapter twenty-two of this code and owned by any person or governmental agency, and compensation shall be paid for public or private lands so taken.

(11) Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of its duties and the execution of its powers. When the cost under any such contract or agreement, other than compensation for personal services, involves an expenditure of more than two thousand dollars, the authority shall make a written contract with the lowest responsible bidder after public notice published as a Class II legal

advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, the publication area for such publication to be the county wherein the work is to be performed or which is affected by the contract, which notice shall state the general character of the work and the general character of the materials to be furnished, the place where plans and specifications therefor may be examined and the time and place of receiving bids, but a contract or lease for the operation of a water development project constructed and owned by the authority or an agreement for cooperation in the acquisition or construction of a water development project pursuant to section sixteen of this article is not subject to the foregoing requirements and the authority may enter into such contract or lease or such agreement pursuant to negotiation and upon such terms and conditions and for such period as it finds to be reasonable and proper under the circumstances and in the best interests of proper operation or of efficient acquisition or construction of such project. The authority may reject any and all bids. A bond with good and sufficient surety, approved by the authority, is required of all contractors in an amount equal to at least fifty percent of the contract price, conditioned upon the faithful performance of the contract.

(12) Employ managers, superintendents and other employees, who are covered by the state civil service system, and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys and such other consultants and independent contractors as are necessary in its judgment to carry out the provisions of this article, and fix the compensation or fees thereof. All expenses thereof are payable solely from the proceeds of water development revenue bonds or notes issued by the authority, from revenues and from funds appropriated for such purpose by the Legislature.

(13) Receive and accept from any federal agency, subject to the approval of the governor, grants for or in aid of the construction of any water development project or for research and development with respect to public water or wastewater facilities and receive and accept aid or contributions from any source of money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions are made.

(14) Engage in research and development with respect to public water or wastewater facilities.

(15) Purchase property coverage and liability insurance for any water development project and for the principal office and suboffices of the authority, insurance protecting the authority and its officers and employees against liability, if any, for damage to property or injury to or death of persons arising from its operations and any other insurance the authority may agree to provide under any resolution authorizing the issuance of water development revenue bonds or in any trust agreement securing the same.

(16) Charge, alter and collect rentals and other charges for the use or services of any water development project as provided in this article, and charge and collect reasonable interest, fees and charges in connection with the

making and servicing of loans to governmental agencies in the furtherance of the purposes of this article.

(17) Establish or increase reserves from moneys received or to be received by the authority to secure or to pay the principal of and interest on the bonds and notes issued by the authority pursuant to this article.

(18) Do all acts necessary and proper to carry out the powers expressly granted to the authority in this article.

Acts 1994, c. 61.

§ 22C–1–7. Power of authority to collect service charges and exercise other powers of governmental agencies in event of default; power to require governmental agencies to enforce their rights

In order to ensure that the public purposes to be served by the authority may be properly carried out and in order to assure the timely payment to the authority of all sums due and owing under loan agreements with governmental agencies, as referred to in section five of this article, notwithstanding any provision to the contrary elsewhere contained in this code, in event of any default by a governmental agency under such a loan agreement, the authority has, and may, at its option, exercise the following rights and remedies in addition to the rights and remedies conferred by law or pursuant to said loan agreement:

(1) The authority may directly impose, in its own name and for its own benefit service charges determined by it to be necessary under the circumstances upon all users of the water development project to be acquired or constructed pursuant to such loan agreement, and proceed directly to enforce and collect such service charges, together with all necessary costs of such enforcement and collection.

(2) The authority may exercise, in its own name or in the name of and as agent for the governmental agency, all of the rights, authority, powers and remedies of the governmental agency with respect to the water development project or which may be conferred upon the governmental agency by statute, rule, regulation or judicial decision, including, without limitation, all rights and remedies with respect to users of such water development project.

(3) The authority may, by civil action, mandamus or other judicial or administrative proceeding, compel performance by such governmental agency of all of the terms and conditions of such loan agreement including, without limitation, the adjustment and increase of service charges as required to repay the loan or otherwise satisfy the terms of such loan agreement, the enforcement and collection of such service charges and the enforcement by such governmental agency of all rights and remedies conferred by statute, rule, regulation or judicial decision.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
Waters and Water Courses ⚷183.5, 203.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581, 666 to 732.

Notes of Decisions

In general 1

1. In general

Statute authorizes Water Development Authority (WDA) to directly impose on public service district, which operates public utility as defined by separate statutory provision, in its own name and for its own benefit service charges determined by it to be necessary when public service district defaults on loan made by Water Development Authority to public service district; however, Water Development Authority's power to impose such service charges upon public service district which operates public utility is subject to regulatory review and approval of Public Service Commission (PSC) pursuant to separate statute. Code, 22C-1-7, 24-1-2, 24-2-1. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Waters And Water Courses ⚷ 183.5

§ 22C-1-8. Expenditure of funds for study and engineering of proposed projects

With the approval and the consent of the board, either the director of the division of environmental protection or the commissioner of the bureau of public health, or both of them, shall expend, out of any funds available for the purpose, such moneys as are necessary for the study of any proposed water development project and may use its engineering and other forces, including consulting engineers and sanitary engineers, for the purpose of effecting such study. All such expenses incurred by the director or commissioner prior to the issuance of water development revenue bonds or notes under this article shall be paid by the director or commissioner and charged to the appropriate water development project and the director and commissioner shall keep proper records and accounts, showing the amounts so charged. Upon the sale of water development revenue bonds or notes for a water development project, the funds so expended by the director or commissioner, with the approval of the authority, in connection with such project, shall be repaid to the division of environmental protection or bureau of public health from the proceeds of such bonds or notes.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-9. Authority empowered to issue water development revenue bonds, renewal notes and refunding bonds; requirements and manner of such issuance

The authority is hereby empowered to issue from time to time water development revenue bonds and notes of the state in such principal amounts as the authority deems necessary to pay the cost of or finance, in whole or in part, by loans to governmental agencies, one or more water development projects, but

the aggregate amount of all issues of bonds and notes outstanding at one time for all projects authorized hereunder shall not exceed that amount capable of being serviced by revenues received from such projects.

The authority may, from time to time, issue renewal notes, issue bonds to pay such notes and whenever it deems refunding expedient, refund any bonds by the issuance of water development revenue refunding bonds by the state pursuant to the provisions of section twenty of this article. Except as may otherwise be expressly provided in this article or by the authority, every issue of its bonds or notes are obligations of the authority payable out of the revenues and reserves created for such purposes by the authority, which are pledged for such payment, without preference or priority of the first bonds issued, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues. Such pledge is valid and binding from the time the pledge is made and the revenues so pledged and thereafter received by the authority are immediately subject to the lien of such pledge without any physical delivery thereof or further act and the lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof.

All such bonds and notes shall have and are hereby declared to have all the qualities of negotiable instruments.

The bonds and notes shall be authorized by resolution of the authority, bear such date and mature at such time, in the case of any such note or any renewals thereof not exceeding five years from the date of issue of such original note, and in the case of any such bond not exceeding fifty years from the date of issue, as such resolution may provide. The bonds and notes shall bear interest at such rate, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be payable in such medium of payment, at such place and be subject to such terms of redemption as the authority may authorize. The bonds and notes of the authority may be sold by the authority, at public or private sale, at or not less than the price the authority determines. The bonds and notes shall be executed by the chair and vice-chair of the authority, both of whom may use facsimile signatures. The official seal of the authority or a facsimile thereof shall be affixed thereto or printed thereon and attested, manually or by facsimile signature, by the secretary-treasurer of the authority, and any coupons attached thereto shall bear the signature or facsimile signature of the chair of the authority. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds, notes or coupons ceases to be such officer before delivery of such bonds or notes, such signature or facsimile is nevertheless sufficient for all purposes the same as if he or she had remained in office until such delivery and in case the seal of the authority has been changed after a facsimile has been imprinted on such bonds or notes such facsimile seal will continue to be sufficient for all purposes.

Any resolution authorizing any bonds or notes or any issue thereof may contain provisions (subject to such agreements with bondholders or noteholders as may then exist, which provisions shall be a part of the contract with the

holders thereof) as to pledging all or any part of the revenues of the authority to secure the payment of the bonds or notes or of any issue thereof; the use and disposition of revenues of the authority; a covenant to fix, alter and collect rentals and other charges so that pledged revenues will be sufficient to pay the costs of operation, maintenance and repairs, pay principal of and interest on bonds or notes secured by the pledge of such revenues and provide such reserves as may be required by the applicable resolution or trust agreement; the setting aside of reserve funds, sinking funds or replacement and improvement funds and the regulation and disposition thereof; the crediting of the proceeds of the sale of bonds or notes to and among the funds referred to or provided for in the resolution authorizing the issuance of the bonds or notes; the use, lease, sale or other disposition of any water development project or any other assets of the authority; limitations on the purpose to which the proceeds of sale of bonds or notes may be applied and pledging such proceeds to secure the payment of the bonds or notes or of any issue thereof; notes issued in anticipation of the issuance of bonds, the agreement of the authority to do all things necessary for the authorization, issuance and sale of such bonds in such amounts as may be necessary for the timely retirement of such notes; limitations on the issuance of additional bonds or notes; the terms upon which additional bonds or notes may be issued and secured; the refunding of outstanding bonds or notes; the procedure, if any, by which the terms of any contract with bondholders or noteholders may be amended or abrogated, the amount of bonds or notes the holders of which must consent thereto and the manner in which such consent may be given; limitations on the amount of moneys to be expended by the authority for operating, administrative or other expenses of the authority; securing any bonds or notes by a trust agreement; and any other matters, of like or different character, which in any way affect the security or protection of the bonds or notes.

In the event that the sum of all reserves pledged to the payment of such bonds or notes are less than the minimum reserve requirements established in any resolution or resolutions authorizing the issuance of such bonds or notes, the chair of the authority shall certify, on or before the first day of December of each year, the amount of such deficiency to the governor of the state, for inclusion, if the governor shall so elect, of the amount of such deficiency in the budget to be submitted to the next session of the Legislature for appropriation to the authority to be pledged for payment of such bonds or notes: Provided, That the Legislature is not required to make any appropriation so requested, and the amount of such deficiencies is not a debt or liability of the state.

Neither the members of the authority nor any person executing the bonds or notes are liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
States ⚷146.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437 to 455.
C.J.S. Waters §§ 483, 543 to 581.

Notes of Decisions

In general 1

1. In general

Statute authorizes Water Development Authority (WDA) to directly impose on public service district, which operates public utility as defined by separate statutory provision, in its own name and for its own benefit service charges determined by it to be necessary when public service district defaults on loan made by Water Development Authority to public service district; however, Water Development Authority's power to impose such service charges upon public service district which operates public utility is subject to regulatory review and approval of Public Service Commission (PSC) pursuant to separate statute. Code, 22C-1-7, 24-1-2, 24-2-1. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Waters And Water Courses ⚷ 183.5

§ 22C-1-10. Trustee for bondholders; contents of trust agreement

In the discretion of the authority, any water development revenue bonds or notes or water development revenue refunding bonds issued by the authority under this article may be secured by a trust agreement between the authority and a corporate trustee, which trustee may be any trust company or banking institution having the powers of a trust company within or without this state.

Any such trust agreement may pledge or assign revenues of the authority to be received, but shall not convey or mortgage any water development project or any part thereof. Any such trust agreement or any resolution providing for the issuance of such bonds or notes may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as are reasonable and proper and not in violation of law, including the provisions contained in section nine of this article and covenants setting forth the duties of the authority in relation to the acquisition of property, the construction, improvement, maintenance, repair, operation and insurance of the water development project the cost of which is paid, in whole or in part, from the proceeds of such bonds or notes, the rentals or other charges to be imposed for the use or services of any water development project, provisions with regard to the payment of the principal of and interest, charges and fees on loans made to governmental agencies from the proceeds of such bonds or notes, the custody, safeguarding, and application of all moneys and provisions for the employment of consulting engineers in connection with the construction or operation of such water development project. Any banking institution or trust company incorporated under the laws of this state which may act as depository of the proceeds of bonds or notes or of revenues shall furnish such indemnifying bonds or pledge such securities as are required by the authority. Any such trust agreement may set forth the rights and remedies of the bondholders and noteholders and of the trustee and may restrict individual rights of action by bondholders and noteholders as customarily provided in trust agreements or trust indentures securing similar bonds. Such trust agreement may contain such other provisions as the authority deems reasonable and proper for the security of the bondholders or noteholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as a part of the

cost of the operation of the water development project. Any such trust agreement or resolution authorizing the issuance of water development revenue bonds may provide the method whereby the general administrative overhead expenses of the authority will be allocated among the several projects acquired or constructed by it as a factor of the operating expenses of each such project.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹146.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437 to 455.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-11. Trust agreements for related responsibilities; reimbursements

Notwithstanding any other provision of this code to the contrary, when the authority acts in the capacity of fiscal agent, authorizing authority or some other capacity for any agency, department, instrumentality or public corporation of the state which is issuing or purchasing bonds or notes, the authority may, in the exercise of its responsibilities, enter into trust agreements with one or more trust companies or banking institutions having trust powers, located within or without the state, with respect to the receipt, investment, handling, payment and delivery of funds of such agency, department, instrumentality or public corporation. The authority is entitled to reimbursement for the expenses of the authority incident to performing such services, including the fees and expenses of third parties providing services to the authority with respect thereto, from the proceeds of bonds or notes or of the revenues derived by such agency, department, instrumentality or public corporation.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹146.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437 to 455.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-12. Legal remedies of bondholders and trustees

Any holder of water development revenue bonds issued under the authority of this article or any of the coupons appertaining thereto and the trustee under any trust agreement, except to the extent the rights given by this article may be restricted by the applicable resolution or such trust agreement, may by civil action, mandamus or other proceedings, protect and enforce any rights granted under the laws of this state or granted under this article, by the trust agreement or by the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this article, or by the trust agreement or resolution, to be performed by the authority or any officer

thereof, including the fixing, charging and collecting of sufficient rentals or other charges.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹160.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States § 440.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-13. Bonds and notes not debt of state, county, municipality or of any political subdivision; expenses incurred pursuant to article

Water development revenue bonds and notes and water development revenue refunding bonds issued under authority of this article and any coupons in connection therewith are not a debt or a pledge of the faith and credit or taxing power of this state or of any county, municipality or any other political subdivision of this state, and the holders or owners thereof have no right to have taxes levied by the Legislature or taxing authority of any county, municipality or any other political subdivision of this state for the payment of the principal thereof or interest thereon, but such bonds and notes are payable solely from the revenues and funds pledged for their payment as authorized by this article unless the notes are issued in anticipation of the issuance of bonds or the bonds are refunded by refunding bonds issued under authority of this article, which bonds or refunding bonds are payable solely from revenues and funds pledged for their payment as authorized by this article. All such bonds and notes shall contain on the face thereof a statement to the effect that the bonds or notes, as to both principal and interest, are not debts of the state or any county, municipality or political subdivision thereof, but are payable solely from revenues and funds pledged for their payment.

All expenses incurred in carrying out the provisions of this article are payable solely from funds provided under authority of this article. This article does not authorize the authority to incur indebtedness or liability on behalf of or payable by the state or any county, municipality or political subdivision thereof.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹166.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States § 448.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-14. Use of funds by authority; restrictions thereon

All moneys, properties and assets acquired by the authority, whether as proceeds from the sale of water development revenue bonds or as revenues or otherwise, shall be held by it in trust for the purposes of carrying out its powers and duties, and shall be used and reused in accordance with the purposes and

provisions of this article. Such moneys shall at no time be commingled with other public funds. Such moneys, except as otherwise provided in any resolution authorizing the issuance of water development revenue bonds or in any trust agreement securing the same, or except when invested pursuant to section fifteen of this article, shall be kept in appropriate depositories and secured as provided and required by law. The resolution authorizing the issuance of such bonds of any issue or the trust agreement securing such bonds shall provide that any officer to whom, or any banking institution or trust company to which, such moneys are paid shall act as trustee of such moneys and hold and apply them for the purposes hereof, subject to the conditions this article and such resolution or trust agreement provide.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
States ⚷119.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 149E, 360, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 324 to 348, 351, 353 to 357, 362 to 363, 368.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-15. Investment of funds by authority

The authority is hereby authorized and empowered to invest any funds not needed for immediate disbursement in any of the following securities:

(1) Direct obligations of or obligations guaranteed by the United States of America;

(2) 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; the Federal National Mortgage Association or the Government National Mortgage Association;

(3) Public housing bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes issued by public agencies or municipalities or preliminary loan notes issued by public agencies or municipalities, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(4) Certificates of deposit secured by obligations of the United States of America;

(5) Direct obligations of or obligations guaranteed by the state of West Virginia;

(6) Direct and general obligations of any other state within the territorial United States, to the payment of the principal of and interest on which the full faith and credit of such state is pledged: Provided, That at the time of their

purchase, such obligations are rated in either of the two highest rating categories by a nationally recognized bond-rating agency; and

(7) Any fixed interest bond, note or debenture of any corporations organized and operating within the United States: Provided, That such corporation shall have a minimum net worth of fifteen million dollars and its securities or its parent corporation's securities are listed on one or more of the national stock exchanges: Provided, however, That (i) such corporation has earned a profit in eight of the preceding ten fiscal years as reflected in its statements, and (ii) such corporation has not defaulted in the payment of principal or interest on any of its outstanding funded indebtedness during its preceding ten fiscal years, and (iii) the bonds, notes or debentures of such corporation to be purchased are rated "AA" or the equivalent thereof or better than "AA" or the equivalent thereof at least two or more nationally recognized rating services such as Standard and Poor's, Dun & Bradstreet or Moody's.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹124.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 374 to 376.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-16. Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies

This section applies to any water development project or projects which are owned, in whole or in part, by the authority. The authority may charge, alter and collect rentals or other charges for the use or services of any water development project, and contract in the manner provided by this section with one or more persons, one or more governmental agencies, or any combination thereof, desiring the use or services thereof, and fix the terms, conditions, rentals or other charges for such use or services. Such rentals or other charges are not subject to supervision or regulation by any other authority, department, commission, board, bureau or agency of the state, and such contract may provide for acquisition by such person or governmental agency of all or any part of such water development project for such consideration payable over the period of the contract or otherwise as the authority in its sole discretion determines to be appropriate, but subject to the provisions of any resolution authorizing the issuance of water development revenue bonds or notes or water development revenue refunding bonds of the authority or any trust agreement securing the same. Any governmental agency which has power to construct, operate and maintain public water or wastewater facilities may enter into a contract or lease with the authority whereby the use or services of any water development project of the authority will be made available to such governmental agency and pay for such use or services such rentals or other charges as may be agreed to by such governmental agency and the authority.

Any governmental agency or agencies or combination thereof may cooperate with the authority in the acquisition or construction of a water development project and shall enter into such agreements with the authority as are necessary, with a view to effective cooperative action and safeguarding of the respective interests of the parties thereto, which agreements shall provide for such contributions by the parties thereto in such proportion as may be agreed upon and such other terms as may be mutually satisfactory to the parties, including, without limitation, the authorization of the construction of the project by one of the parties acting as agent for all of the parties and the ownership and control of the project by the authority to the extent necessary or appropriate for purposes of the issuance of water development revenue bonds by the authority. Any governmental agency may provide such contribution as is required under such agreements by the appropriation of money or, if authorized by a favorable vote of the electors to issue bonds or notes or levy taxes or assessments and issue notes or bonds in anticipation of the collection thereof, by the issuance of bonds or notes or by the levying of taxes or assessments and the issuance of bonds or notes in anticipation of the collection thereof, and by the payment of such appropriated money or the proceeds of such bonds or notes to the authority pursuant to such agreements.

Any governmental agency, pursuant to a favorable vote of the electors in an election held for the purpose of issuing bonds to provide funds to acquire, construct or equip, or provide real estate and interests in real estate for a public water or wastewater facility, whether or not the governmental agency at the time of such an election had the authority to pay the proceeds from such bonds or notes issued in anticipation thereof to the authority as provided in this section, may issue such bonds or notes in anticipation of the issuance thereof and pay the proceeds thereof to the authority in accordance with an agreement between such governmental agency and the authority: Provided, That the legislative authority of the governmental agency finds and determines that the water development project to be acquired or constructed by the authority in cooperation with such governmental agency will serve the same public purpose and meet substantially the same public need as the facility otherwise proposed to be acquired or constructed by the governmental agency with the proceeds of such bonds or notes.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
Waters and Water Courses ⟹183.5, 203.
Westlaw Topic Nos. 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581, 666 to 732.

§ 22C-1-17. Maintenance, operation and repair of projects; reports by authority to governor and Legislature

Each water development project, when constructed and placed in operation, shall be maintained and kept in good condition and repair by the authority or if owned by a governmental agency, by such governmental agency, or the authority or such governmental agency shall cause the same to be maintained and kept

in good condition and repair. Each such project owned by the authority shall be operated by such operating employees as the authority employs or pursuant to a contract or lease with a governmental agency or person. All public or private property damaged or destroyed in carrying out the provisions of this article and in the exercise of the powers granted hereunder with regard to any project shall be restored or repaired and placed in its original condition, as nearly as practicable, or adequate compensation made therefor out of funds provided in accordance with the provisions of this article.

As soon as possible after the close of each fiscal year, the authority shall make an annual report of its activities for the preceding fiscal year to the governor and the Legislature. Each such report shall set forth a complete operating and financial statement covering the authority's operations during the preceding fiscal year. The authority shall cause an audit of its books and accounts to be made at least once each fiscal year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or of operations of its projects.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-18. Water development bonds lawful investments

The provisions of sections nine and ten, article six, chapter twelve of this code to the contrary notwithstanding, all water development revenue bonds issued pursuant to this article are lawful investments for the West Virginia state board of investments and are also lawful investments for banking institutions, societies for savings, building and loan associations, savings and loan associations, deposit guarantee associations, trust companies, insurance companies, including domestic for life and domestic not for life insurance companies.

Acts 1994, c. 61.

Acts 1999, c. 147, created the West Virginia investment management board, which absorbed the powers and duties of the board of investments. See § 12-6-3.

Library References

States ⚷157.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 360, 405.

C.J.S. States § 441.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-19. Purchase and cancellation of notes or bonds

The authority, subject to such agreements with noteholders or bondholders as may then exist, has the power, out of any funds available therefor, to purchase notes or bonds of the authority.

If the notes or bonds are then redeemable, the price of such purchase shall not exceed the redemption price then applicable plus accrued interest to the

next interest payment date thereon. If the notes or bonds are not then redeemable, the price of such purchase shall not exceed the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to such date. Upon such purchase such notes or bonds shall be canceled.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹147.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 437, 443 to 445.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-20. Refunding bonds

Any bonds issued hereunder and at any time outstanding may at any time and from time to time be refunded by the authority by the issuance of its refunding bonds in such amount as it may deem necessary to refund the principal of the bonds so to be refunded, together with any unpaid interest thereon; to provide additional funds for the purposes of the authority; and any premiums and commissions necessary to be paid in connection therewith. Any such refunding may be effected whether the bonds to be refunded have matured or thereafter mature, either by sale of the refunding bonds and the application of the proceeds thereof for the redemption of the bonds to be refunded thereby, or by exchange of the refunding bonds for the bonds to be refunded thereby: Provided, That the holders of any bonds so to be refunded shall not be compelled without their consent to surrender their bonds for payment or exchange prior to the date on which they are payable or, if they are called for redemption, prior to the date on which they are by their terms subject to redemption. Any refunding bonds issued under the authority of this article are payable from the revenues out of which the bonds to be refunded thereby were payable, or from other moneys or the principal of and interest on or other investment yield from, investments or proceeds of bonds or other applicable funds and moneys, including investments of proceeds of any refunding bonds, and are subject to the provisions contained in section nine of this article and shall be secured in accordance with the provisions of sections nine and ten of this article.

Acts 1994, c. 61.

Library References

Environmental Law ⟹216.
States ⟹152.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 449 to 450.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-21. Exemption from taxation

The exercise of the powers granted to the authority by this article will be in all respects for the benefit of the people of the state, for the improvement of their health, safety, convenience and welfare and for the enhancement of their residential, agricultural, recreational, economic, commercial and industrial

opportunities and is a public purpose. As the operation and maintenance of water development projects are essential governmental functions, the authority is not required to pay any taxes or assessments upon any water development project or upon any property acquired or used by the authority or upon the income therefrom. Such bonds and notes and all interest and income thereon are exempt from all taxation by this state, or any county, municipality, political subdivision or agency thereof, except inheritance taxes.

Acts 1994, c. 61.

Library References

Taxation ⚷2173, 2276, 2315, 2316, 2330.
Westlaw Topic No. 371.

§ 22C-1-22. Acquisition of property by authority—Acquisition by purchase; governmental agencies authorized to convey, etc., property

The authority may acquire by purchase, whenever it deems such purchase expedient, any land, property, rights, rights-of-way, franchises, easements and other interests in lands it deems necessary or convenient for the construction and operation of any water development project upon such terms and at such prices it considers reasonable and can be agreed upon between the authority and the owner thereof, and take title thereto in the name of the state.

All governmental agencies, notwithstanding any contrary provision of law, may lease, lend, grant or convey to the authority, at its request, upon such terms as the proper authorities of such governmental agencies deem reasonable and fair and without the necessity for an advertisement, auction, order of court or other action or formality, other than the regular and formal action of the governmental agency concerned, any real property or interests therein, including improvements thereto or personal property which is necessary or convenient to the effectuation of the authorized purposes of the authority, including public roads and other real property or interests therein, including improvements thereto or personal property already devoted to public use.

Acts 1994, c. 61.

Library References

Eminent Domain ⚷27 to 32.
Environmental Law ⚷216.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 148, 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-23. Same—Acquisition under subdivision (10), section six of this article; property of public utilities and common carriers; relocation, restoration, etc., of highways and public utility facilities

The authority may acquire, pursuant to subdivision (10), section six of this article, any land, rights, rights-of-way, franchises, easements or other property necessary or proper for the construction or the efficient operation of any water development project.

This section does not authorize the authority to take or disturb property or facilities belonging to any public utility or to a common carrier, which property or facilities are required for the proper and convenient operation of such public utility or common carrier, unless provision is made for the restoration, relocation or duplication of such property or facilities elsewhere at the sole cost of the authority.

When the authority finds it necessary to change the location of any portion of any public road, state highway, railroad or public utility facility in connection with the construction of a water development project, it shall cause the same to be reconstructed at such location as the unit or division of government having jurisdiction over such road, highway, railroad or public utility facility deems most favorable. Such construction shall be of substantially the same type and in as good condition as the original road, highway, railroad or public utility facility. The cost of such reconstruction, relocation or removal and any damage incurred in changing the location of any such road, highway, railroad or public utility facility shall be paid by the authority as a part of the cost of such water development project.

When the authority finds it necessary that any public highway or portion thereof be vacated by reason of the acquisition or construction of a water development project, the authority shall request the commissioner of the division of highways, in writing, to vacate such highway or portion thereof if the highway or portion thereof to be vacated is part of the state road system, or, if the highway or portion thereof to be vacated is under the jurisdiction of a county or a municipality, the authority shall request the governing body of such county or municipality to vacate such public road or portion thereof. The authority shall pay to the commissioner of the division of highways or to the county or municipality, as the case may be, as part of the cost of such water development project, any amounts required to be deposited with any court in connection with proceedings for the determination of compensation and damages and all amounts of compensation and damages finally determined to be payable as a result of such vacation.

The authority may make reasonable rules for the installation, construction, maintenance, repair, renewal, relocation and removal of railroad or public utility facilities in, on, over or under any water development project. Whenever the authority determines that it is necessary that any such facilities installed or constructed in, on, over or under property of the authority pursuant to such rules be relocated, the railroad or public utility owning or operating such facilities shall relocate or remove them in accordance with the order of the authority. The cost and expenses of such relocation or removal, including the cost of installing such facilities in a new location, the cost of any lands or any rights or interests in lands and the cost of any other rights acquired to accomplish such relocation or removal, may be paid by the authority as a part of the cost of such water development project. In case of any such relocation or removal of facilities, the railroad or public utility owning or operating them, and its successors or assigns, may maintain and operate such facilities, with the necessary appurtenances in the new location in, on, over or under the property

of the authority for as long a period and upon the same terms as it had the right to maintain and operate such facilities in their former location.

Acts 1994, c. 61.

Library References

Eminent Domain ⚷27 to 32.
Environmental Law ⚷216.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 148, 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-24. Financial interest in contracts prohibited; penalty

No officer, member or employee of the authority shall be financially interested, directly or indirectly, in any contract of any person with the authority, or in the sale of any property, real or personal, to or from the authority. This section does not apply to contracts or purchases of property, real or personal, between the authority and any governmental agency. If any officer, member or employee of the authority has such financial interest in a contract or sale of property prohibited hereby, he or she is guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than one thousand dollars, or imprisoned in the county jail not more than one year, or both fined and imprisoned.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
Waters and Water Courses ⚷183.5.
Westlaw Topic Nos. 149E, 405.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. Waters §§ 483, 543 to 581.

§ 22C-1-25. Meetings and records of authority to be kept public

All meetings of the authority shall be open to the public and the records of the authority shall be open to public inspection at all reasonable times, except as otherwise provided in this section. All final actions of the authority shall be journalized and such journal shall also be open to the inspection of the public at all reasonable times. Any records or information relating to secret processes or secret methods of manufacture or production which may be obtained by the authority or other persons acting under authority of this article are confidential and shall not be disclosed.

Acts 1994, c. 61.

Library References

Environmental Law ⚷139.
Westlaw Topic No. 149E.
C.J.S. Health and Environment §§ 130, 173.

§ 22C-1-26. Liberal construction of article

The provisions of this article are hereby declared to be remedial and shall be liberally construed to effectuate its purposes and intents.

Acts 1994, c. 61.

Library References

Environmental Law ⟹167.
Waters and Water Courses ⟹182.
Westlaw Topic Nos. 149E, 405.

C.J.S. Health and Environment § 172.
C.J.S. Waters §§ 483, 505.

§ 22C-1-27. Authorized limit on borrowing

The aggregate principal amount of bonds and notes issued by the authority may not exceed five hundred million dollars outstanding at any one time: Provided, That before the authority issues bonds and notes in excess of four hundred million dollars the Legislature must pass a resolution authorizing this action: Provided, however, That in computing the total amount of bonds and notes which may at any one time be outstanding, the principal amount of any outstanding bonds or notes refunded or to be refunded either by application of the proceeds of the sale of any refunding bonds or notes of the authority or by exchange for any refunding bonds or notes, shall be excluded.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2000, c. 278, eff. March 11, 2000.

Library References

Environmental Law ⟹216.
States ⟹115.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 149E, 360, 405.

C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 358 to 371.
C.J.S. Waters §§ 483, 543 to 581.

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapters 22B to 23

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CHAPTER 22B

ENVIRONMENTAL BOARDS

ARTICLE 3

ENVIRONMENTAL QUALITY BOARD

§ 22B-3-1. Environmental quality board; composition and organization; appointment, qualifications, terms, vacancies

Administrative Code References

Environmental Quality Board procedural rules, see W. Va. Code St. R. § 46-4-1 et seq.

CHAPTER 22C

ENVIRONMENTAL RESOURCES; BOARDS, AUTHORITIES, COMMISSIONS AND COMPACTS

Article		Section
1.	WATER DEVELOPMENT AUTHORITY	22C-1-3
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ARTICLE 1

WATER DEVELOPMENT AUTHORITY

Section	
22C-1-3.	Definitions.
22C-1-5.	Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements.
22C-1-6.	Powers, duties and responsibilities of authority generally.
22C-1-16.	Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies.

§ 22C-1-1. Short title

United States Code Annotated

Environmental Quality Improvement Act of 1970, see 42 U.S.C.A. § 4321 et seq.

National Environmental Policy Act of 1969, see 42 U.S.C.A. § 4321 et seq.

§ 22C-1-3. Definitions

As used in this article, unless the context clearly requires a different meaning:

(1) "Authority" means the Water Development Authority provided for in section four of this article, the duties, powers, responsibilities and functions of which are specified in this article.

(2) "Beneficial use" means a use of water by a person or by the general public that is consistent with the public interest, health and welfare in utilizing the water resources of this state, including, but not limited to, domestic, agricultural, irrigation, industrial, manufacturing, mining, power, public, sanitary, fish and wildlife, state, county, municipal, navigational, recreational, aesthetic and scenic use.

(3) "Board" means the Water Development Authority Board provided for in section four of this article, which shall manage and control the Water Development Authority.

(4) "Bond" or "water development revenue bond" means a revenue bond, note or other evidence of indebtedness issued by the Water Development Authority to effect the intents and purposes of this article.

(5) "Construction" includes reconstruction, enlargement, improvement and providing furnishings or equipment.

(6) "Cost" means, as applied to water development projects, the cost of their acquisition and construction; the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights and interests required by the authority for such acquisition and construction; the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved; the cost of acquiring or constructing and equipping a principal office and suboffices of the authority; the cost of diverting highways, interchange of highways; access roads to private property, including the cost of land or easements therefor; the cost of all machinery, furnishings and equipment; all financing charges and interest prior to and during construction and for no more than eighteen months after completion of construction; the cost of all engineering services and all expenses of research and development with respect to public water facilities, stormwater systems or wastewater facilities; the cost of all legal services and expenses; the cost of all plans, specifications, surveys and estimates of cost and revenues; all working capital and other expenses necessary or incident to determining the feasibility or practicability of acquiring or constructing any such project; all administrative expenses and such other expenses as may be necessary or incident to the acquisition or construction of the project; the financing of such acquisition or construction, including the amount authorized in the resolution of the authority providing for the issuance of water development revenue bonds to be paid into any special funds from the proceeds of such bonds; and the financing of the placing of any such project in operation. Any obligation or expenses incurred by any governmental agency, with the approval of the authority, for surveys, borings, preparation of plans and specifications and other engineering services in connection with the acquisition or construction of a project are a part of the cost of such project and shall be reimbursed out of the proceeds of loans or water development revenue bonds as authorized by the provisions of this article.

(7) "Establishment" means an industrial establishment, mill, factory, tannery, paper or pulp mill, mine, colliery, breaker or mineral processing operation, quarry, refinery, well and each and every industry or plant or works or activity in the operation or process of which industrial wastes or other wastes are produced.

(8) "Governmental agency" means the state government or any agency, department, division or unit thereof; counties; municipalities; watershed improvement districts; soil conservation districts; sanitary districts; public service districts; drainage districts; regional governmental authorities and any other governmental agency, entity, political subdivision, public corporation or agency having the authority to acquire, construct or operate public water facilities, stormwater systems or wastewater facilities; the United States government or any agency, department, division or unit thereof; and any agency, commission or authority established pursuant to an interstate compact or agreement.

(9) "Industrial wastes" means any liquid, gaseous, solid or other waste substance or any combination thereof, resulting from or incidental to any process of industry, manufacturing, trade or business, or from or incidental to the development, processing or recovery of any natural resources; and the admixture with such industrial wastes of sewage or other wastes, as defined in this section, are also industrial wastes.

(10) "Other wastes" means garbage, refuse, decayed wood, sawdust, shavings, bark and other wood debris and residues, sand, lime, cinders, ashes, offal, night soil, silt, oil, tar, dyestuffs, acids, chemicals and all other materials or substances not sewage or industrial wastes which may cause or might reasonably be expected to cause or to contribute to the pollution of any of the waters of this state.

(11) "Owner" includes all persons, copartnerships or governmental agencies having any title or interest in any property rights, easements and interests authorized to be acquired by this article.

(12) "Person" means any public or private corporation, institution, association, firm or company organized or existing under the laws of this or any other state or country; the United States or the State of West Virginia; any federal or state governmental agency; political subdivision; county commission; municipality; industry; sanitary district; public service district; drainage district; soil conservation district; watershed improvement district; partnership; trust; estate; person or individual; group of persons or individuals acting individually or as a group or any other legal entity whatever.

(13) "Pollution" means: (a) The discharge, release, escape, deposit or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes or other wastes, of whatever kind or character, in or near any waters of the state, in such condition, manner or quantity, as does, will or is likely to: (1) contaminate or substantially contribute to the contamination of any of such waters; or (2) alter or substantially contribute to the alteration of the physical, chemical or biological properties of any of such waters, if such contamination or alteration, or the resulting contamination or alteration where a person only contributes thereto, is to such an extent as to make any of such waters: (i) Directly or indirectly harmful, detrimental or injurious to the public health, safety and welfare; or (ii) directly or indirectly detrimental to existing animal, bird, fish, aquatic or plant life; or (iii) unsuitable for present or future domestic, commercial, industrial, agricultural, recreational, scenic or other legitimate uses; and also means (b) the discharge, release, escape, deposit or disposition, directly or indirectly, of treated or untreated sewage, industrial wastes or other wastes, of whatever kind or character, in or near any waters of the state in such condition, manner or quantity, as does, will or is likely to reduce the quality of the waters of the state below the standards established therefor by the United States or any department, agency, board or commission of this state authorized to establish such standards.

(14) "Project" or "water development project" means any public water facility, stormwater system or wastewater facility, the acquisition or construction of which is authorized, in whole or in part, by the Water Development Authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including facilities, the acquisition or construction of which is authorized, in whole or in part, by the Water Development Authority or the acquisition or construction of which is financed, in whole or in part, from funds made available by grant or loan by, or through, the authority as provided in this article, including all buildings and facilities which the authority deems necessary for the operation of the project, together with all property, rights, easements and interest which may be required for the operation of the project, but excluding all buildings and facilities used to produce electricity other than electricity for consumption by the authority in the operation and maintenance of the project.

(15) "Public roads" mean all public highways, roads and streets in this state, whether maintained by the state, county, municipality or other political subdivision.

(16) "Public utility facilities" means public utility plants or installations and includes tracks, pipes, mains, conduits, cables, wires, towers, poles and other equipment and appliances of any public utility.

(17) "Revenue" means any money or thing of value collected by, or paid to, the Water Development Authority as rent, use or service fee or charge for use of, or in connection with, any water development project, or as principal of or interest, charges or other fees on loans, or any other collections on loans made by the Water Development Authority to governmental agencies to finance, in whole or in part, the acquisition or construction of any water development project or projects or other money or property which is received and may be expended for or pledged as revenues pursuant to this article.

(18) "Sewage" means water-carried human or animal wastes from residences, buildings, industrial establishments or other places, together with such groundwater infiltration and surface waters as may be present.

(19) "Stormwater system" means a stormwater system in its entirety or any integral part thereof used to collect, control or dispose of stormwater and an associated stormwater management program. It includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet, including, but not limited to, any and all of the following: Inlets, conduits, corals, outlets, channels, ponds, drainage ways, easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations. The term "stormwater system" does not include highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways.

(20) "Stormwater management program" means those activities associated with the management, operation and maintenance and control of stormwater and stormwater systems and includes, but is not limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforcement and any other activities required by state and federal law. The term "stormwater management program" does not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways without the express agreement of the Commissioner of the Division of Highways.

(21) "Water resources", "water" or "waters" means any and all water on or beneath the surface of the ground, whether percolating, standing, diffused or flowing, wholly or partially within this state, or bordering this state and within its jurisdiction, and includes, without limiting the generality of the foregoing, natural or artificial lakes, rivers, streams, creeks, branches, brooks, ponds (except farm ponds, industrial settling basins and ponds and water treatment facilities), impounding reservoirs, springs, wells and watercourses.

(22) "Wastewater" means any water containing sewage, industrial wastes or other wastes or contaminants derived from the prior use of such water and includes, without limiting the generality of the foregoing, surface water of the type storm sewers are designed to collect and dispose of.

(23) "Wastewater facilities" means facilities for the purpose of treating, neutralizing, disposing of, stabilizing, cooling, segregating or holding wastewater, including, without limiting the generality of the foregoing, facilities for the treatment and disposal of sewage, industrial wastes or other wastes, waste water and the residue thereof; facilities for the temporary or permanent impoundment of wastewater, both surface and underground; and sanitary sewers or other collection systems, whether on the surface or underground, designed to transport wastewater together with the equipment and furnishings thereof and their appurtenances and systems, whether on the surface or underground, including force mains and pumping facilities therefor.

(24) "Water facility" means all facilities, land and equipment used for the collection of water, both surface and underground, transportation of water, treatment of water and distribution of water all for the purpose of providing potable, sanitary water suitable for human consumption and use.

Acts 1994, c. 61; Acts 2008, c. 203, eff. June 5, 2008.

§ 22C-1-5. Authority may construct, finance, maintain, etc., water development projects; loans to governmental agencies are subject to terms of loan agreements

To accomplish the public policies and purposes and to meet the responsibility of the state as set forth in this article, the water development authority may initiate, acquire, construct, maintain, repair and operate water development projects or cause the same to be operated pursuant to a lease, sublease or agreement with any person or governmental agency; may make loans and grants to governmental agencies for the acquisition or construction of water development projects by governmental agencies, which loans may include amounts to refinance debt issued for existing water development projects of the governmental agency when the refinancing is in conjunction with the financing for a new water development project regardless of the source of the financing for the new project: *Provided*, That the amount of the refinancing may not exceed 50% of the aggregate amount of the refinancing of an existing project and the financing of a new project; and may issue water development revenue bonds of this state, payable solely from revenues, to pay the cost of projects, or finance projects, in whole or in part, by loans to governmental agencies. A water development project may not be undertaken unless it has been determined by the authority to be consistent with any applicable comprehensive plan of water management approved by the Secretary of the Department of Environmental Protection or in the process of preparation by the secretary and to be consistent with the standards set by the state environmental quality board, for the waters of the state affected thereby. Any resolution of the authority providing for acquiring or constructing projects or for making a loan or grant for projects shall include a finding by the authority that the determinations have been made. A loan agreement shall be entered into between the authority and each governmental agency to which a loan is made for the acquisition or construction of a water development project, which loan agreement shall include, without limitation, the following provisions:

(1) The cost of the project, the amount of the loan, the terms of repayment of the loan and the security therefor, which may include, in addition to the pledge of all revenues from the project after a reasonable allowance for operation and maintenance expenses, a deed of trust or other appropriate security instrument creating a lien on the project;

(2) The specific purposes for which the proceeds of the loan shall be expended including the refinancing of existing water development project debt as provided above, the procedures as to the disbursement of loan proceeds and the duties and obligations imposed upon the governmental agency in regard to the construction or acquisition of the project, including engineering, fees and other administrative costs relating to development of the project;

(3) The agreement of the governmental agency to impose, collect, and, if required to repay the obligations of the governmental agency under the loan agreement, increase service charges from persons using the project, which service charges shall be pledged for the repayment of the loan together with all interest, fees and charges thereon and all other financial obligations of the governmental agency under the loan agreement;

(4) The agreement of the governmental agency to comply with all applicable laws, rules and regulations issued by the authority or other state, federal and local bodies in regard to the construction, operation, maintenance and use of the project;

(5) The number of proposed customers and their physical locations within the project, and providing as a condition of the agreement, that no proposed customers listed in the project application agreement may be removed from inclusion in the project without prior authorization of the board; and

(6) The agreement of the governmental agency to perform an annual maintenance audit which maintenance audit shall be submitted to the board and the Public Service Commission of West Virginia.

Acts 1994, c. 61; Acts 1995, c. 252, eff. 90 days after March 3, 1995; Acts 2009, c. 221, eff. April 10, 2009.

§ 22C-1-6. Powers, duties and responsibilities of authority generally

The Water Development Authority has and may exercise all powers necessary or appropriate to carry out and effectuate its corporate purpose. The authority has the power and capacity to:

(1) Adopt and, from time to time, amend and repeal bylaws necessary and proper for the regulation of its affairs and the conduct of its business and rules to implement and make effective its powers and duties, such rules to be promulgated in accordance with the provisions of chapter twenty-nine-a of this code.

(2) Adopt an official seal.

(3) Maintain a principal office and, if necessary, regional suboffices at locations properly designated or provided.

(4) Sue and be sued in its own name and plead and be impleaded in its own name and particularly to enforce the obligations and covenants made under sections nine, ten and sixteen of this article. Any actions against the authority shall be brought in the circuit court of Kanawha County in which the principal office of the authority shall be located.

(5) Make loans and grants to governmental agencies for the acquisition or construction of water development projects by any such governmental agency and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules and procedures for making such loans and grants.

(6) Acquire, construct, reconstruct, enlarge, improve, furnish, equip, maintain, repair, operate, lease or rent to, or contract for operation by a governmental agency or person, water development projects and, in accordance with the provisions of chapter twenty-nine-a of this code, adopt rules for the use of such projects.

(7) Make available the use or services of any water development project to one or more persons, one or more governmental agencies or any combination thereof.

(8) Issue water development revenue bonds and notes and water development revenue refunding bonds of the state, payable solely from revenues as provided in section nine of this article unless the bonds are refunded by refunding bonds, for the purpose of paying all or any part of the cost of, or financing by loans to governmental agencies, one or more water development projects or parts thereof.

(9) Acquire by gift or purchase, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties as set forth in this article.

(10) Acquire in the name of the state, by purchase or otherwise, on such terms and in such manner as it deems proper, or by the exercise of the right of eminent domain in the manner provided in chapter fifty-four of this code, such public or private lands, or parts thereof or rights therein, rights-of-way, property, rights, easements and interests it deems necessary for carrying out the provisions of this article, but excluding the acquisition by the exercise of the right of eminent domain of any public water facilities, stormwater systems or wastewater facilities, operated under permits issued pursuant to the provisions of article eleven, chapter twenty-two of this code and owned by any person or governmental agency, and compensation shall be paid for public or private lands so taken.

(11) Make and enter into all contracts and agreements and execute all instruments necessary or incidental to the performance of its duties and the execution of its powers. When the cost under any such contract or agreement, other than compensation for personal services, involves an expenditure of more than two thousand dollars, the authority shall make a written contract with the lowest responsible bidder after public notice published as a Class II legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, the publication area for such publication to be the county wherein the work is to be performed or which is affected by the contract, which notice shall state the general character of the work and the general character of the materials to be furnished, the place where plans and specifications therefor may be examined and the time and place of receiving bids, but a contract or lease for the operation of a water development project constructed and owned by the authority or an agreement for cooperation in the acquisition or construction of a water development project pursuant to section sixteen of this article is not subject to the foregoing requirements and the authority may enter into such contract or lease or such agreement pursuant to negotiation and upon such terms and conditions and for such period as it finds to be reasonable and proper under the circumstances and in the best interests of proper operation or of efficient acquisition or construction of such project. The authority may reject any and all bids. A bond with good and sufficient surety, approved by the authority, is

required of all contractors in an amount equal to at least fifty percent of the contract price, conditioned upon the faithful performance of the contract.

(12) Employ managers, superintendents and other employees, who are covered by the state civil service system, and retain or contract with consulting engineers, financial consultants, accounting experts, architects, attorneys and such other consultants and independent contractors as are necessary in its judgment to carry out the provisions of this article and fix the compensation or fees thereof. All expenses thereof are payable solely from the proceeds of water development revenue bonds or notes issued by the authority, from revenues and from funds appropriated for such purpose by the Legislature.

(13) Receive and accept from any federal agency, subject to the approval of the Governor, grants for or in aid of the construction of any water development project or for research and development with respect to public water facilities, stormwater systems or wastewater facilities and receive and accept aid or contributions from any source of money, property, labor or other things of value to be held, used and applied only for the purposes for which such grants and contributions are made.

(14) Engage in research and development with respect to public water facilities, stormwater systems or wastewater facilities.

(15) Purchase property coverage and liability insurance for any water development project and for the principal office and suboffices of the authority, insurance protecting the authority and its officers and employees against liability, if any, for damage to property or injury to or death of persons arising from its operations and any other insurance the authority may agree to provide under any resolution authorizing the issuance of water development revenue bonds or in any trust agreement securing the same.

(16) Charge, alter and collect rentals and other charges for the use or services of any water development project as provided in this article and charge and collect reasonable interest, fees and charges in connection with the making and servicing of loans to governmental agencies in the furtherance of the purposes of this article.

(17) Establish or increase reserves from moneys received or to be received by the authority to secure or to pay the principal of and interest on the bonds and notes issued by the authority pursuant to this article.

(18) Administer on behalf of the Department of Environmental Protection the Dam Safety Rehabilitation Revolving Fund Loan Program pursuant to the provisions of article fourteen of chapter twenty-two of this code. Revenues or moneys designated by this code or otherwise appropriated for use by the authority pursuant to the provisions of this article may not be used for the Dam Safety Rehabilitation Revolving Fund Loan Program and moneys in the Dam Safety Rehabilitation Revolving Fund shall be kept separate from all revenues and moneys of the authority.

(19) Do all acts necessary and proper to carry out the powers expressly granted to the authority in this article.

Acts 1994, c. 61; Acts 2008, c. 203, eff. June 5, 2008.

§ 22C-1-16. Rentals and other revenues from water development projects owned by the authority; contracts and leases of the authority; cooperation of other governmental agencies; bonds of such agencies

This section applies to any water development project or projects which are owned, in whole or in part, by the authority. The authority may charge, alter and collect rentals or other charges for the use or services of any water development project, and contract in the manner provided by this section with one or more persons, one or more governmental agencies, or any combination thereof, desiring the use or services thereof, and fix the terms, conditions, rentals or other charges for such use or services. Such rentals or other charges are not subject to supervision or regulation by any other authority, department, commission, board, bureau or agency of the state and such contract may provide for acquisition by such person or governmental agency of all or any part of such water development project for such consideration payable over the period of the contract or otherwise as the authority in its sole

discretion determines to be appropriate, but subject to the provisions of any resolution authorizing the issuance of water development revenue bonds or notes or water development revenue refunding bonds of the authority or any trust agreement securing the same. Any governmental agency which has power to construct, operate and maintain public water facilities, stormwater systems or wastewater facilities may enter into a contract or lease with the authority whereby the use or services of any water development project of the authority will be made available to such governmental agency and pay for such use or services such rentals or other charges as may be agreed to by such governmental agency and the authority.

Any governmental agency or agencies or combination thereof may cooperate with the authority in the acquisition or construction of a water development project and shall enter into such agreements with the authority as are necessary, with a view to effective cooperative action and safeguarding of the respective interests of the parties thereto, which agreements shall provide for such contributions by the parties thereto in such proportion as may be agreed upon and such other terms as may be mutually satisfactory to the parties, including, without limitation, the authorization of the construction of the project by one of the parties acting as agent for all of the parties and the ownership and control of the project by the authority to the extent necessary or appropriate for purposes of the issuance of water development revenue bonds by the authority. Any governmental agency may provide such contribution as is required under such agreements by the appropriation of money or, if authorized by a favorable vote of the electors to issue bonds or notes or levy taxes or assessments and issue notes or bonds in anticipation of the collection thereof, by the issuance of bonds or notes or by the levying of taxes or assessments and the issuance of bonds or notes in anticipation of the collection thereof and by the payment of such appropriated money or the proceeds of such bonds or notes to the authority pursuant to such agreements.

Any governmental agency, pursuant to a favorable vote of the electors in an election held for the purpose of issuing bonds to provide funds to acquire, construct or equip, or provide real estate and interests in real estate for a public water facility, stormwater system or wastewater facility, whether or not the governmental agency at the time of such an election had the authority to pay the proceeds from such bonds or notes issued in anticipation thereof to the authority as provided in this section, may issue such bonds or notes in anticipation of the issuance thereof and pay the proceeds thereof to the authority in accordance with an agreement between such governmental agency and the authority: *Provided*, That the legislative authority of the governmental agency finds and determines that the water development project to be acquired or constructed by the authority in cooperation with such governmental agency will serve the same public purpose and meet substantially the same public need as the facility otherwise proposed to be acquired or constructed by the governmental agency with the proceeds of such bonds or notes.

Acts 1994, c. 61; Acts 2008, c. 203, eff. June 5, 2008.

ARTICLE 2

WATER POLLUTION CONTROL REVOLVING FUND ACT

Section

22C-2-1. Definitions.
22C-2-5. Collection of money due to the fund.

§ 22C-2-1. Definitions

Unless the context in which used clearly requires a different meaning, as used in this article:

(a) "Authority" means the Water Development Authority provided for in section four, article one of this chapter.

(b) "Cost" as applied to any project financed under the provisions of this article means the total of all costs incurred by a local entity that are reasonable and necessary for carrying out all works and undertakings necessary or incident to the accomplishment of any project including:

WEST VIRGINIA:

At a special session of the County Commission of Pleasants County, held at the Courthouse, thereof, on Wednesday, September 28, 1988 at 11:00 A.M.

PRESENT: Mr. J. F. Brammer, President
Mrs. Juanita M. Baker, Commissioner
Mr. Bill Elder, Commissioner

PLEASANTS COUNTY DEVELOPMENT AUTHORITY APPOINTMENTS

A motion by Juanita Baker, seconded by Bill Elder, unanimous, to appoint the following people to the Pleasants County Development Authority.

Bill Elder
Linda Barnhart
Jim Brammer
Lynn Phair
Don Wilson
Jean Mayfield
Larry Gainer
Jim McGoldrick
Blair Core
Steve Marks
Steve Bonanno
Charles Landsettle
C. A. (Mike) Hendricks
Jim McKnight
Joe Reckard
Harry Morgan
Art Olds

The first organizational meeting will be October 6th at 7:00 P.M. at the Courthouse to elect an official chairman and get things started. Additional appointments will be made.

The Commission adjourned at 11:15 A.M.

J. F. Brammer
President

Before the opening of the June 3rd County Commission meeting Wayne Nichols offered a word of prayer.

Larry Barnhart, President of the County Commission opened the June 3rd meeting at 9:00AM followed by the Pledge of Allegiance.

The minutes of the May 20th meeting were approved as presented.

Present: Larry Barnhart, President
Jim Cottrill, Commissioner
Jay Powell, Commissioner

NEW PHONE SERVICE FOR EXTENSION OFFICE

Claude Marra, County Extension Agent presented a purchase order for new phones for the extension office. The cost of the new system is $717 and will be taken from the extension office budget.

PROPERTY ANNEXATION

Keith White, City Attorney, asked for a delay in the county's public hearing to annex the St. Marys Marina and property owned by the Board of Education.

Mr. White explained to the commissioner that a publication problem arose concerning the public hearing. The combination of papers for the Memorial Day weekend created a time frame issue with publication dates.

County Commissioners agreed to move the hearing to the July 1st commission meeting.

DEVELOPMENT AUTHORITY MEMBERSHIP

A letter was received from the Pleasants County Development Authority requesting approval of the following membership recommendations for three year terms to commence July 1st, 2009 and expire June 30, 2012:

Bob Doty
Randa Gregg
Bill Israel (representative of the City of St. Marys to replace Mike Hendricks)
Ron McFadden
Art Olds
Unexpired term to expire June 30, 2011:
John Fitzpatrick (representative of the City of Belmont to replace Carl Guthrie)

City representatives have been appointed by the respective Councils as is prescribed by State Code.

Jim Cottrill made a motion that upon the recommendation of the Development Authority to approve the list of Board Members submitted by the Authority. Motion carried.

courthouse, thereof, on Wednesday, May 21, 2008 at 9:00 A.M.

Present: Joe Reckard, President
Jim Cottrill, Commissioner
Larry Barnhart, Commissioner

The May 21st meeting of the Pleasants County Commission was opened with prayer led by Joe Reckard followed by the Pledge of Allegiance.

Minutes of the May 7th meeting were approved as presented.

457 DEFERRED RETIREMENT PLAN

State Treasurer's office representatives Tim Hooper and Pat Jack appeared before the Commission to present a 457 Deferred Retirement Plan that the Treasurer's office is promoting.

The plan as explained by Mr. Jack could provide valuable benefits to the employees. County Commissioners agreed that this could be a great benefit and stated that they thought the elected officials could offer this to their employees and if they were interested then a resolution would be signed by the commission promoting this plan.

TAX OFFICE, COUNTY CLERK'S AND ASSESSORS COMPUTER SYSTEM

Sheriff Maston and County Clerk, Sue Morgan along with employees Sara Lou Shingleton and Julie Richard appeared before the Commission to discuss the computer system used in their offices.

The County Commission had put out for bid back in March of 2008 a computer system package that would tie all three offices together. After receiving one bid from CSSI and a letter from Software Systems Inc. indicating they were not going to bid this project was put on hold.

The elected officials and employees wanted the commission to know their opinion on the system and requested the commission to accept the bid from CSSI.

After much discussion a motion was made by Joe Reckard to pursue a PC Network and to accept the bid as proposed by CSSI. The bid total was in the amount of $66,719.

Commissioners Reckard and Cottrill approved the motion with Commissioner Barnhart not voting for the motion because of an objection to the process of the bid specs.

DEVELOPMENT AUTHORITY MEMBERSHIP

A motion was made by Larry Barnhart to accept the membership nominations presented by the Development Authority for three year terms commencing July 1, 2008 and concluding June 30, 2011.

The following is a list of the nominations:
Jerry Davis
Carl Guthrie
Paul Ingram
Mike Nelson
Max Powell

Larry Gainer, Director of the Authority indicated that each of the nominated individuals has made significant contributions to the Authority and our community in the past and certainly has the interest and aptitude to continue doing so in the future.

ORDER PLEASANTS COUNTY COMMISSION

June 27, 2007

COLT LEAGUE DONATION

The County Commission approved a donation to the Pleasants County Colt League of $400. Eric Straight coach of the Colt League made the request to help with registrations and umpire fees. The motion was made by Jim Cottrill. Motion carried.

DEVELOPMENT AUTHORITY MEMBERSHIP

The County Commission approved the following recommendations submitted by the Pleasants County Development Authority for membership to the board for three-year terms to commence on July 1, 2007.

Jim Elliott
Jim Hooper
Liz McGill-Bleakley
Clifford Smith

A motion was made by Larry Barnhart to accept the membership list as presented and to appoint Jim Cottrill as the commission representative to the Development Authority. Motion carried.

911 ISSUES

The County Commission decided to continue this issue due to the fact Commission President, Joe Reckard was not able to attend the June 25th meeting. This will be addressed during the July 11th meeting of the Commission.

REHABILITATION ENVIRONMENTAL ACTION PLAN

Tina Oldfield, County Administrator told commissioners about a request from the Rehabilitation Environmental Action Plan for a standard operating evaluation. This evaluation is important to the Development Authority as this determines funding from the state to the authority.

Commissioners gave Ms. Oldfield permission to gather the needed information to submit the required evaluation. Steve Bonanno will help gather information concerning the evaluation.

BUILDING PERMITS

#331 David Howell, Union District, Map 13, Parcel 2
#332 Habitat For Humanity, Union District, Map 3, Parcel 16.3

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Order Book No. 27, at Page 292 thereof.

Given under my hand and seal of said Commission this 27th day of May, 20 10.

Sue E. Morgan
Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielsen
Deputy Clerk

ORDERS PLEASANTS COUNTY COMMISSION

January 6, 2010

Before the January 6th commission meeting Larry Barnhart offered a word of prayer.

Commissioner, Larry Barnhart opened the January 6th County Commission meeting at 9:00AM followed by the Pledge of Allegiance

The minutes of the December 16th commission meeting were approved as presented.

Present: Larry Barnhart, President
Jim Cottrill, Commissioner
Jay Powell, Commissioner

COMMISSION PRESIDENT

A motion was made by Jim Cottrill to appoint Larry Barnhart as the Commission President for 2010. Jay Powell seconded the motion. Motion carried.

COUNTY COMMISSION MEETINGS SET

A motion was made by Jim Cottrill to set the County Commission meetings for the 1st and 3rd Wednesday of each month unless all three commissioners agree to change a monthly meeting date. Motion carried.

COURTHOUSE HOURS

A motion was made by Jay Powell to set the courthouse hours from 8:30AM-4:30PM, Monday thru Friday and any designated days that are mandated by the West Virginia Code. Motion carried.

BOND COUNCIL APPOINTED

A motion was made by Jim Cottrill to appoint Carl Bryant as Bond Council for 2010. Motion carried.

ORDERS PLEASANTS COUNTY COMMISSION

January 6, 2010

BOARD OF EQUALIZATION DATES SET

A motion was made by Jay Powell to approve the following dates the Commission will meet for the Board of Equalization:

Dates as follows:

NOTICE TO TAXPAYERS

BOARD OF EQUALIZATION TO MEET

The County Commission of Pleasants County, West Virginia, will meet in the County Commission room at the Pleasants County Courthouse on the following days:

January 29, 2010	(Friday)	9:00-11:00 AM
February 3, 2010	(Wednesday)	9:00-10:00 AM
February 6, 2010	(Saturday)	9:00-10:00 AM
February 10, 2010	(Wednesday)	10:00-11:00 AM

The purpose of this meeting is for receiving and correcting any assessment made by the Assessor pursuant to Section 24, Article 3, Chapter 11, ofthe Code of West Virginia.

If any person fails to apply for relief at this meeting, he shall have waived his right to ask for correction in his assessment list for the current year, and shall not thereafter be permitted to question the correctness of his list as finally fixed by the County Commission, except on appeal to the Circuit Court. After the County Commission completes the review and equalization of the property books, a majority of the commission shall sign a statement that it is the completed assessment of the county for the year, then the property books shall be delivered to the Assessor and the levies extended as provided by law.

COUNTY COMMISSION REPRESENTING VARIOUS BOARDS AND AGENCIES

All three County Commissioners agreed to serve on the following boards or agencies for the 2010 year.

Boards and Agencies as follows:

COUNTY COMMISSION
REPRESENTING VARIOUS AGENCIES AND BOARDS

LARRY BARNHART

1. ALLEGHENY POWER-CAP
2. WORKFORCE INVESTMENT ACT
3. AGRICULTURE YOUTH FAIR BOARD
4. FAMILY RESOUCE NETWORK (FRN)
5. AMBULANCE AUTHORITY
6. 911-BOARD OF DIRECTORS

ORDERS PLEASANTS COUNTY COMMISSION

January 6, 2010

JAY POWELL

1. PLEASANTS COUNTY PARK
2. MID-OHIO VALLEY REGIONAL COUNCIL
3. CRITERION CAP
4. LOCAL EMERGENCY PLANNING COMMISSION (LEPC)

HOLIDAYS OBSERVED BY COUNTY EMPLOYEES

A motion was made by Jim Cottrill to approve the following holiday list as long as it coincides with the states holidays. Motion carried.

January	18, 2010	(MONDAY)	MARTIN LUTHER KING DAY
FEBRUARY	15, 2010	(MONDAY)	PRESIDENTS DAY
APRIL	2, 2010	(FRIDAY)	GOOD FRIDAY
MAY	11, 2010	(TUESDAY)	ELECTION DAY
MAY	31, 2010	(MONDAY)	MEMORIAL DAY
JUNE	21, 2010	(MONDAY)	WEST VIRGINIA DAY
JULY	5, 2010	(MONDAY)	INDEPENDENCE DAY
SEPTEMBER	6, 2010	(MONDAY)	LABOR DAY
OCTOBER	11,2010	(MONDAY)	COLUMBUS DAY
NOVEMBER	2, 2010	(TUESDAY)	ELECTION DAY
NOVEMBER	11, 2010	(THURSDAY)	VETERAN'S DAY
NOVEMBER	25, 2010	(THURSDAY)	THANKSGIVING DAY
NOVEMBER	26, 2010	(FRIDAY)	THANKSGIVING HOLIDAY
DECEMBER	24, 2010	(FRIDAY)	CHRISTMAS EVE
DECEMBER	31, 2010	(FRIDAY)	NEW YEAR'S EVE

WATER PROJECT UPDATE

The County Commission heard an update from Attorney, Steve Hardman by phone at the January 6th commission meeting.

Mr. Hardman stated that everything requested from the RUS had been submitted. A call was made to Virginia McDonald with the RUS to make sure she had received everything she needed.

ORDERS PLEASANTS COUNTY COMMISSION

January 6, 2010

Mr. Hardman stated that the usual time frame for an answer back from the RUS is two to four weeks. As soon as that answer is received the project is ready to roll with the bid process.

REAP ACTION PLAN

Commissioner, Larry Barnhart made a motion to appoint Sheriff, Ted Maston as the Litter Control Officer for Pleasants County. Sheriff Maston agreed with this appointment and stated that if there were any problems with any dump sites in the county he would refer them to the Department of Natural Resources. Motion carried.

A motion was made by Larry Barnhart to appoint the following to a Litter Control Task Force in Pleasants County with the option for the following board to add two more board members with not having more than seven serving at a time

1. Sheriff Ted Maston
2. Magistrate Kathy Elder
3. Claude Marra-Solid Waste Authority
4. Jim McGoldrick-Director Pleasants County Development Authority
5. Jim Cottrill-Pleasants County Commissioner

The appointment of the litter control officer and task force are also required in order for the Development Authority to receive its annual local economic development grants from the state and to renew its Certified Development Community status this year.

CIVIL SERVICE COMMISSION

Sheriff Maston informed the commission that one of his deputies would be leaving to take employment in another county. Because of the vacancy a civil service test would need to be offered.

Sheriff Maston asked the commission for immediate consideration of a new member to the board due to one of the current board members now being an employee of the county.

A motion was made by Larry Barnhart to appoint John Haddox to the Civil Service Commission. The Board will now consist of Keith White, Jim Riggs and new member John Haddox.

All applicants for the deputy's position must take the civil service exam that is set up and administered by the Commission.

The testing date has been set for March 1st at 9:00AM in the County Commission Courtroom.

MAPPING AND ADDRESSING

Ken Beezley and Tina Oldfield reported back to the commission on the list of goals that were established at the December 16th commission meeting.

The commission wants to have one central location in the courthouse for the mapping and addressing. This location will be in the Co. Administrators office and Ms. Oldfield will be in charge of this system with the Assessor's office being the backup.

County Assessor, Vickie Gorrell told the commission that she and her staff would not be available for training until March at the earliest.

A motion was made by Jim Cottrill that as soon as the Assessor's office books are closed to work with the Assessor and her staff to be the backup on Mapping and Addressing. All 20 hours of training will be used on Tina and then she will train the Assessor. Mr. Beezley agreed that if additional training is needed for the Assessor and her staff he would be available. Motion carried.

RED CROSS COUNTYWIDE AWARENESS FAIR

Emily Decker appeared before the Commission to inform them of a Countywide Awareness Fair that the Red Cross will be sponsoring on April 24th.

The purpose of the fair is to be an informational fair showing what an impact volunteers play in our community.

Several different organizations will set up booths at no cost to explain what services they provide and what volunteers could be doing to help.

Ms. Decker also explained that a site had not been confirmed due to the cost of the rental for the day.

Commissioner Cottrill made a motion to pay for the rental of the marina building of $95. Motion carried. Ms. Decker will contact the city to make sure the marina is available. A check will be processed at the January 20th commission meeting.

RENOVATIONS TO RESTROOMS IN COURTHOUSE

Commissioner, Jay Powell brought the conditions of the courthouse restrooms to the attention of the other commissioners. The overall appearance of the restrooms is just not good.

Commissioner Powell suggested that the commission take a look at all the restrooms and see exactly what needs to be done to make these rooms presentable to the employees and the public.

There are 10 restrooms total in the courthouse. After a thorough inspection contractors will be contacted to give bids on the project.

2010 GOALS

Commissioner Powell asked the other commissioners how the county could team up with other organizations throughout the county to make Pleasants County a more attractive place to live.

There are several things that the Development Authority is working on to bring more business to the county and the [illegible]

ORDERS PLEASANTS COUNTY COMMISSION

January 6, 2010

Commissioner Barnhart asked that 2010 goals be on the January 20th agenda and that each commissioner come up with their individual goals for the county and to discuss these and come up with a list of goals for the commission to coordinate with other organizations for the coming year.

SYNTHETIC FUEL GRANT RESOLUTION

The County Commission approved a resolution for the Synthetic Fuel Grant Program.

This resolution names Larry Barnhart, Commission President as the authorized official to sign the Synthetic Fuel Grant Agreement between the WV Development Office and the Pleasants County Commission.

RESOLUTION

WHEREAS, the Pleasants County Commission is eligible and has made application for WV Synthetic Fuel Grant Funds; and

WHEREAS, the Pleasants County Commission does hereby accept the conditions under the WV Synthetic Fuel Grant Program; and

WHEREAS, the Pleasants County Commission does hereby name **Larry Barnhart, Pleasants County Commission President** as the authorized official to sign the Synthetic Fuel Grant Program Grant Agreement between the WV Development Office and the Pleasants County Commission.

NOW, THEREFORE, BE IT RESOLVED that the Pleasants County Commission does hereby agree to contract with the West Virginia Development Office through the Synthetic Fuel Grant Program.

ADDOPTED THIS 6th DAY OF JANUARY, 2010.

/s/Larry Barnhart
Larry Barnhart, President
Pleasants County Commission

/s/Jim Cottrill
Jim Cottrill,
Pleasants County Commissioner

/s/Jay Powell
Jay Powell,
Pleasants County Commissioner

COUNTY ADMINISTRATOR

The county commission requested an executive session at the January 6th

Commissioner Cottrill told Ms. Oldfield that the only thing the commissioners asked of her is to keep courthouse hours.

Ms. Oldfield explained to the commission that she is often out of her office at other county offices away from the courthouse and sometimes cannot answer her phones.

Commissioner Powell stated that a problem existed in how the Administrators time is monitored. Commissioner Powell stated that Ms. Oldfield has been a blessing to the county but the situation at hand has taken advantage of Ms. Oldfield, the other county employees as well as the citizens of the county.

One of the main concerns the commission has is the Administrator not being in the office. Fifty percent of her time is spent out of the office. That's two days a week on an average Commissioner Powell reported.

In addition to Ms. Oldfield's position as Administrator she also serves as the Assistant Director at the 911 Center.

When the administrator's job was created in 1998 there was no definite job description. This is where the commission thinks part of the problem is. The County Administrator agreed with that statement and stated that she had worked with several different commissioners in the past and each one of them had their own project that was a priority to them.

Ms. Oldfield asked the commission to check in with her when they were in the building. This way better communication could be accomplished between the two.

The other issue that was discussed was the fact that the commissioners were getting calls stating that individuals had tried to reach the Administrator for an address or other reasons and she was not in the office or would not return phone calls.

The commissioners all agreed that it is just common courtesy to return phone calls.

A motion was made by Jay Powell for all commissioners and the Administrator to sit down and come up with a job description and to formalize a way to keep track of vacation and sick time. This meeting was scheduled for January 20th after the commission meeting. Motion carried.

PERSONAL REPRESENTATIVES APPOINTED

The following proceedings, in fiduciary matters, have been had, orders entered of record in the clerk's office aforesaid in vacation of the said County Commission since the last report made to the commission:

NONE FILED

WILLS PROBATED

The following is a list of wills, having been probated by the Clerk of the County Commission, in vacation thereof, was this day presented to the Commission by the Clerk and the appointment thereof confirmed and said will be recorded and file

ORDERS PLEASANTS COUNTY COMMISSION

January 6, 2010

FIDUCIARY SETTLEMENTS APPROVED

This estate was not referred to a Fiduciary Commissioner under the provisions of Chapter 44, Article 2, Section 24A, of the Code of the State of West Virginia. This report was filed in the Clerk's Office of the Commission 10 days prior to the first day of this term, was this day presented to the Commission by its Clerk, and no exceptions being taken thereof, said Settlement is confirmed and orders to be recorded and filed

Gladys Newland, Estate, Nancy K. Davis, Executrix
William Gordon Fox, Estate, Martha Hockenberry, Executrix
Minnie Huggins, Estate, Clyde R. Garrison, Executor

The meeting adjourned at 1:00 PM

Larry Bauhs
President

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Order Book No. 27, at Page 193 thereof.

Given under my hand and seal of said Commission this 26th day of May, 20 10.

Sue E. Morgan
Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson
Deputy Clerk

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

Before the opening of the June 3rd County Commission meeting Wayne Nichols offered a word of prayer.

Larry Barnhart, President of the County Commission opened the June 3rd meeting at 9:00AM followed by the Pledge of Allegiance.

The minutes of the May 20th meeting were approved as presented.

Present: Larry Barnhart, President
Jim Cottrill, Commissioner
Jay Powell, Commissioner

NEW PHONE SERVICE FOR EXTENSION OFFICE

Claude Marra, County Extension Agent presented a purchase order for new phones for the extension office. The cost of the new system is $717 and will be taken from the extension office budget.

PROPERTY ANNEXATION

Keith White, City Attorney, asked for a delay in the county's public hearing to annex the St. Marys Marina and property owned by the Board of Education.

Mr. White explained to the commissioner that a publication problem arose concerning the public hearing. The combination of papers for the Memorial Day weekend created a time frame issue with publication dates.

County Commissioners agreed to move the hearing to the July 1st commission meeting.

DEVELOPMENT AUTHORITY MEMBERSHIP

A letter was received from the Pleasants County Development Authority requesting approval of the following membership recommendations for three year terms to commence July 1st, 2009 and expire June 30, 2012:

Bob Doty
Randa Gregg
Bill Israel (representative of the City of St. Marys to replace Mike Hendricks)
Ron McFadden
Art Olds
Unexpired term to expire June 30, 2011:
John Fitzpatrick (representative of the City of Belmont to replace Carl Guthrie)

City representatives have been appointed by the respective Councils as is prescribed by State Code.

Jim Cottrill made a motion that upon the recommendation of the Development Authority to approve the list of Board Members submitted by the Authority. Motion carried.

June 3, 2009

SUDDENLINK FRANCHISE

Michael Kelemen, Suddenlink Representaive, appeared before the commission to answer questions concerning the renewal of the franchise with Suddenlink.

Commissioner Powell indicated that area residents have expressed dissatisfaction with the increases that Suddenlink has taken in the last year and would like the commission to look to other companies to provide cable television service to the area.

Michael Kelemen explained to the commission that the county may obtain other proposals for cable service at any time regardless of whether a franchise agreement is signed.

The county franchise with Suddenlink includes about 260 customers. These are customers outside the municipalities of St. Marys and Belmont, which hold their own franchises with the company.

A franchise fee of 3% is accumulated each year and paid quarterly to the county by Suddenlink. This fee is passed on to the consumer. The county could charge up to 5% or as low as 0%.

The commission tabled its decision on the franchise agreement with Suddenlink until the June 17th meeting in order to gather further information on the matter.

HUMANE SOCIETY

Chad Edwards of the Pleasants County Humane Society and newly elected President, Dotte White, appeared before the commission to ask for a $2,000 increase in its yearly allocation from the county.

Mr. Edwards informed the commission the Humane Society is running a $40,000 operation and with its new building at the dog shelter about to open, the group looks to see expenses increase.

Mr. Edwards stated that the Humane Society provides a good service to the county and would appreciate any help the commission could give.

The County Commission currently budgets $13,000 per year for the Humane Society. In 2008 the commission budgeted $13,000 and gave an additional $1000, and in 2007 budgeted $13,000 and gave $15,000. The additional $2000 could possibly reduce the Humane Society coming back and asking for extra money during the year.

Commissioner Cottrill commended the Humane Society on the work they do for the county.

Due to the fact the request was not on the agenda commissioners delayed making a decision until the June 17th meeting.

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

WATER PROJECT UPDATE

Fred Rader with the Mid-Ohio Valley Regional Council appeared before the Commission to give an update on the County-Wide Water Project.

Mr. Rader indicated that the Public Service Commission has raised some issues recently with the documentation concerning the water project. Mr. Rader stated he will be having some follow up conversations with Samme Gee, Attorney and Angie Buler, the Accountant with the project concerning some issues that need clarification.

Mr. Rader stated that he is still optimistic that the project will advertise for bids this summer and go to construction this fall.

Authorization is still needed from the Bureau of Public Health, Rural Utility Service and the Infrastructural Council as funding agencies for the project. There authorization is needed to be able to advertise for bids.

Once the Public Service Commission's issues are resolved then the project should be good to go.

Steve Hardman, Attorney for the project indicated all right of ways will be recorded within the next week in the clerk's office.

BUILDING PERMITS

#346 Gary Rice, Washington District, Map 4 & 7, Parcel P/O 6
#347 Henry & Teresa Craig, Washington District, Map 5, Parcel 3.1
#348 Melissa D. West, McKim District, Map 2, Parcel 10

June 3, 2009

IMPROPER CHARGES

April 21, 2009

TO THE PLEASANTS COUNTY COMMISSION:

The following is submitted for your approval of correction on the 2009 Personal Property Book.

NAME READS:	Haddox, Robert Lee & Marie A.
TAX TICKET:	302470
DISTRICT READS:	St. Marys
TAX CLASS READS:	4
VALUE READS:	$4,105.00
VALUE SHOULD READ:	$1,390.00
TAXES READ:	$115.62
TAXES SHOULD READ:	$39.16

REASON FOR CORRECTION: Taxpayer submitted the 1996 Ford F-150 pickup in error. Robert Lee Haddox was active duty military on July 1, 2008 and should not be taxed for this vehicle.

Submitted by:

/s/Vickie L. Gorrell
Vickie L. Gorrell
Pleasants County Assessor

Seen and Inspected by:

/s/Timothy L. Sweeney
Timothy L. Sweeney Prosecuting Attorney
Pleasants County

/s/Larry Barnhart
Larry Barnhart, President
Pleasants County Commission

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

June 3, 2009

TO THE PLEASANTS COUNTY COMMISSION:

The following is submitted for your approval of correction on the 2009 Personal Property Book.

NAME READS:	Wilson, Ashlee
TAX TICKET:	301941
DISTRICT READS:	McKim
TAX CLASS READS:	3
VALUE READS:	$1,080.00
VALUE SHOULD READ:	$1,575.00
TAXES READ:	$22.90
TAXES SHOULD READ:	$33.40

REASON FOR CORRECTION: Taxpayer submitted in error the 1997 Chevrolet Cavalier. She actually owned a 2001 Chevrolet Cavalier.

Submitted by:

/s/Vickie L. Gorrell
Vickie L. Gorrell
Pleasants County Assessor

/s/Larry Barnhart
Larry Barnhart, President

Seen and Inspected by:

/s/Timothy L. Sweeney
Timothy L. Sweeney Prosecuting Attorney
Pleasants County

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

June 3, 2009

TO THE PLEASANTS COUNTY COMMISSION:

The following is submitted for your approval of correction on the 2009 Personal Property Book.

NAME READS:	Hawkins, Richard L.
TAX TICKET:	300508
DISTRICT READS:	Grant
TAX CLASS READS:	3
VALUE READS:	$8,781.00
VALUE SHOULD READ:	$8,511.00
TAXES READ:	$186.20
TAXES SHOULD READ:	$180.48

REASON FOR CORRECTION: Taxpayer submitted the 1989 Mazda MX6 in error. This vehicle was not owned on the July 1, 2008 assessment date.

Submitted by:

/s/Vickie L. Gorrell
Vickie L. Gorrell
Pleasants County Assessor

/s/Larry Barnhart
Larry Barnhart, President

Seen and Inspected by:

/s/Timothy L. Sweeney
Timothy L. Sweeney Prosecuting Attorney
Pleasants County

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

REFUNDING ORDER

REFUNDING ORDER
Code Chap. 11 Art. 3, Sec. 27

The following is submitted for your approval of correction on the 2008 Personal Property Book. Since the taxes have been paid, a refund is requested.

NAME READS:	Cunningham, Stacy L.
DISTRICT:	Belmont
TAX TICKET:	300077
CLASS READS:	4
VALUE READS:	$7,660.00
VALUE SHOULD READ:	$5,125.00
TAXES READ:	$200.18
TAXES SHOULD READ:	$133.94

REASON FOR CORRECTION: Taxpayer submitted in error a 2004 Pontiac Bonneville. She actually owned a 2000 Pontiac Bonneville on July 1, 2007.

/s/Timothy L. Sweeney
Prosecuting Attorney

/s/Stacy L. Cunningham
Taxpayer

/s/Vickie L. Gorrell
Assessor

Approved

/s/Larry Barnhart
President of County Commission

/s/Sara Lou Shingleton
Processed by Tax Office-Chief Tax Deputy

/s/Jim Cottrill
Commissioner

66.65
Amount Refunded

/s/Jay Powell
Commissioner

/s/Sue E. Morgan
Attest: County Clerk, Pleasants County, WV

June 3, 2009
Order Entered to State Auditor

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

APPORTIONMENT OF JOINTLY OWNED MOTOR VEHICLES

NOTICE OF APPORTIONMENT OF JOINTLY OWNED MOTOR VEHICLES

WEST VIRGINIA CODE § 11-5-14 *PTD 11/9*

STATE OF WEST VIRGINIA
COUNTY OF PLEASANTS

I, Vickie L. Gorrell, Assessor of Pleasants County, having been presented with a certified copy of a final divorce order entered under provisions of section fifteen, article two, chapter forty-eight of the West Virginia Code, do hereby apportion the assessment of the taxes for Tax Year 2009 owed on jointly owned motor vehicles involved in the divorce order and awarded exclusively to be titled, one or more in the name of the husband and one or more in the name of the wife as follows:

SECTION I:
Ticket Number: 300914 District: Jefferson Ticket Total: $152.04

NAME 1: Shawn C. Kelley, 21 Limestone Road, St. Marys, WV 26170 PP# 13689932

MAKE	MODEL	YEAR
Chev.	2500	1994
Dodge	Ram 2500	1995
Buck	Regal	1994

NAME 2: Kimberly J. Kelley, 208 Smith Street, Belmont, WV 26134 PP# 13819981

SECTION II:
Filed with the county commission this 3rd day of June, 2009.

/s/Vickie L. Gorrell
Assessor

SECTION III:
The County commission of Pleasants County does hereby order the apportioment of the assessment of taxes as determined and set forth by the county assessor in Section I of this notice

/s/Larry Barnhart
County Commissioner

/s/Jim Cottrill
County Commissioner

/s/Jay Powell
County Commissioner

SECTION IV:
Certified to the sheriff this 3rd day of June, 2009.

/s/Sue E. Morgan
Clerk of the County Commission

ORDERS PLEASANTS COUNTY COMMISSION

June 3, 2009

PERSONAL REPRESENTATIVES APPOINTED

The following proceedings, in fiduciary matters, have been had, orders entered of record in the clerk's office aforesaid in vacation of the said County Commission since the last report made to the commission:

John Eddy, Executor, Ruth M. Eddy, Estate
Franklin Gale Roby, Executor, Hestel Isabella Roby, Estate

WILLS PROBATED

The following is a list of wills, having been probated by the Clerk of the County Commission, in vacation thereof, was this day presented to the Commission by the Clerk and the appointment thereof confirmed and said will be recorded and filed:

Ruth M. Eddy
Hesterl Isabella Roby

FIDUCIARY SETTLEMENTS APPROVED

This estate was not referred to a Fiduciary Commissioner under the provisions of Chapter 44, Article 2, Section 24A, of the Code of the State of West Virginia. This report was filed in the Clerk's Office of the Commission 10 days prior to the first day of this term, was this day presented to the Commission by its Clerk, and no exceptions being taken thereof, said Settlement is confirmed and orders to be recorded and filed.

Charles M. Campbell, Jr., Estate, Mildred P. Campbell, Administratrix
Clarence A. Nichols, Estate, Joyce Ann Ross, Executrix
Gail Eugene Flanagan, Estate, Sandra Kay Flanagan, Executrix

Meeting adjourned at 10:25 a.m.

Larry Bailey
President

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Order Book No. 27, at Page 53 thereof.

Given under my hand and seal of said Commission this 26th day of May, 20 10.

Sue E. Morgan
Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson
Deputy Clerk

ORDERS PLEASANTS COUNTY COMMISSION

May 21, 2008

WEST VIRGINIA:

A regular session of the county commission of Pleasants County, was held at the courthouse, thereof, on Wednesday, May 21, 2008 at 9:00 A.M.

Present: Joe Reckard, President
Jim Cottrill, Commissioner
Larry Barnhart, Commissioner

The May 21st meeting of the Pleasants County Commission was opened with prayer led by Joe Reckard followed by the Pledge of Allegiance.

Minutes of the May 7th meeting were approved as presented.

457 DEFERRED RETIREMENT PLAN

State Treasurer's office representatives Tim Hooper and Pat Jack appeared before the Commission to present a 457 Deferred Retirement Plan that the Treasurer's office is promoting.

The plan as explained by Mr. Jack could provide valuable benefits to the employees. County Commissioners agreed that this could be a great benefit and stated that they thought the elected officials could offer this to their employees and if they were interested then a resolution would be signed by the commission promoting this plan.

TAX OFFICE, COUNTY CLERK'S AND ASSESSORS COMPUTER SYSTEM

Sheriff Maston and County Clerk, Sue Morgan along with employees Sara Lou Shingleton and Julie Richard appeared before the Commission to discuss the computer system used in their offices.

The County Commission had put out for bid back in March of 2008 a computer system package that would tie all three offices together. After receiving one bid from CSSI and a letter from Software Systems Inc. indicating they were not going to bid this project was put on hold.

The elected officials and employees wanted the commission to know their opinion on the system and requested the commission to accept the bid from CSSI.

After much discussion a motion was made by Joe Reckard to pursue a PC Network and to accept the bid as proposed by CSSI. The bid total was in the amount of $66,719.

Commissioners Reckard and Cottrill approved the motion with Commissioner Barnhart not voting for the motion because of an objection to the process of the bid specs.

DEVELOPMENT AUTHORITY MEMBERSHIP

A motion was made by Larry Barnhart to accept the membership nominations presented by the Development Authority for three year terms commencing July 1, 2008 and concluding June 30, 2011.

The following is a list of the nominations:
Jerry Davis
Carl Guthrie
Paul Ingram
Mike Nelson
Max Powell

Larry Gainer, Director of the Authority indicated that each of the nominated individuals has made significant contributions to the Authority and our community in the past and certainly has the interest and aptitude to continue doing so in the future.

E-911 DIRECTOR

Commissioner, Larry Barnhart informed those in attendance at the Commission meeting that the Commission met on May 14th to appoint an interim E-911 Director. The Commission appointed Joe Reckard as the interim Director. Commissioner Reckard will maintain this position as part of his County Commission duties and responsibilities.

PSD BOARD MEMBERSHIP

The County Commission approved the recommendation of the PSD Board to appoint Mark Bailey to another term of 6 years on the Public Service District Board. This term will be from December 2007 – December 2013.

911 MAPPING AND ADDRESSING

Ken Beezley, with ArborMetrics, LLC met with the Commission to give them an update on the progress of the 911 Mapping and Addressing project that he is completing for the county.

The estimated project completion as of 11:00AM, May 21, 2008 is 50%.

Milestone progression:

1. Contractor has conflated 95% of existing addresses from the existing county database into WVSAMS. The remaining 170 sites will be field checked and verified. Most appear to be camps and / or seasonal sites (milestone B)
2. Contractor has conflated about 90% of the streets located within the county, outside of the Areas of St. Marys and Belmont. A couple roads have issues that run in and out of adjoining Counties. (Milestone B)
3. Contractor has collected street and site data (addresses) for 90% of St. Marys. This data will Be conflated in WVSAMS. (Milestone C)
4. Contractor is collecting street and site data for Belmont and is 35% complete. This will be conflated in WVSAMS. (Milestone C)

Other tasks performed:

1. Contractor is coordinating activities with the WVSAMSB project manager, Baker Inc.
   a. Requested and received the ADHOC from Frontier for all telephone records for Pleasants County.
   b. Currently working with Baker and Verizon for ESN assignments. Frontier is not required to administer ESN's but Verizon is the statewide database manager and this will be required in their system.
   c. Updated the WVSAMB and Baker of the project status. Once milestone B and C are complete and verified by the county, Pleasants County will be eligible to request the next 40% reimbursement of addressing funds from the WVSAM.
2. Contractor has verified and conflated 2404 addressable sites and 805 accessory sites, With the majority outside of St. Marys and Belmont. (Estimated total @3800 Addressable sites)
3. Contractor has confirmed and conflated 734 street segments, mostly outside of St. Marys And Belmont, (Estimated total @1000 segments)

Upcoming tasks:

1. Complete address collection for Belmont and St. Marys, conflate data in WVSAMS. (Completion is Milestone C)
2. Verify remaining sites from existing database. (Completion of Milestone B)
3. Coordinate activities for ESN assignment and ESZ delineation. (Milestone D)
4. Start work on MSAG document for Pleasants County. (Milestone E)
5. Work with county on initial long-term addressing plan options. (Milestone F)

Milestone completion and invoicing:

1. Milestone B will be completed by May 23, 2008 and the data will need to be verified by the county in order to submit and invoice.
2. Milestone C will be completed by May 30, 2008 and the data will need to be verified by the county in order to submit and invoice.
3. Milestone D should be completed by mid June.
4. Milestone E should be completed by early July.

WATER PROJECT

The County Commission was given information on the 7 year-old water project. Because the Pleasants County Public Service District cannot obtain the needed 80% of paid tap fees for the entire project and because the original $11.8 million dollar price tag has escalated drastically, Pleasants County Commissioners have to consider a substantial cut in the project.

Mark Bailey and Katie Campbell of the PSD along with Fred Rader and Erin Thacker of the Mid-Ohio Valley Regional Council appeared before commissioners to update them on the project's status.

Mark Bailey indicated that the project will have to be cut for several reasons. People who wanted the water years ago now aren't paying their tap fees. Construction and oil costs have skyrocketed, increasing the cost of the project.

The only alternative is to look at what can be built and where the people have paid their tap fees.

The $11 million dollar project has been revised and will now cost about $8 million dollars. Several residences on Beech Run, Cramblett Hill and Walnut Hill have been cut in addition to homes already eliminated at Pine Grove, Rock Run and areas of Hebron Road.

This project would have once supplied water to nearly 420 homes will now serve only 190 potential customers.

Of the 190 potential customers 152 have paid their $100 tap fees. This gives the PSD the needed 80% requirements for funding.

Because of the low number of customers in the project the monthly cost rises. Customers using the average monthly water usage will now pay $36 a month, instead of the initial estimate of $34.50.

Due to the fact the City of St. Marys is raising their rates this will make the monthly cost for the new water project raise.

Six Hundred Thousand Dollars has been spent by the Commission just in engineering costs in the past three years for this project. This does not include Mid-Ohio Valley Regional Council costs, fly over's and other expenses.

Commissioner Cottrill questioned how long it would be before we start losing our funding. The advertising for bids needs to be completed this year or this will be a critical situation.

Fred Rader, Mid-Ohio Valley Regional Council assured the commission the Union Williams PSD portion of the project is still ongoing, as is Contract 3 of the Pleasants County PSD. No cuts were made in those two areas since Union Williams has obtained the needed paid tap fees for the southern end of the county and contract 3 includes King Ridge, French Creek, and Turkey Run areas, which qualified for a Small Cities Block Grant due to income levels.

The tanks and booster stations planned in the original project will remain, leaving an infrastructure for future growth. The cost of a pipeline is one of the largest expenses; the newly revised project will include three areas:

Contract 1: North Pleasants Highway, Raven Rock Road, Java Run Road, Mt. Carmel Ridge Road, Highland Road, Pt. Lookout Road and Middle Island Creek Road. (136 potential customers with 106 paid tap fees)

Contract 2: Hebron Road to Federal Ridge intersection and Federal Ridge, Mt. Pleasant. (52 potential customers, 44 paid tap fees)

Contract 3: Right Fork French Creek Road, Left Fork French Creek Road, Schultz Fork Road, King Ridge Road, Turkey Run Road and Jewel Hill Road, (Calcutta Wiley area) (68 potential customers 48 paid tap fees.

Costs of the project is estimated at $7.9 million, $1.5 million Small Cities Block Grant, a $1.4 million loan from the USDA and a $3.6 million general obligation bond from Pleasants County.

A public meeting has been scheduled for June 3, 2008 at 7:00 at the St. Marys High School for customers who are still a part of the project and for those who were cut from the project. Refunds of the $100 tap fee, plus interest will be distributed to those who have paid and been cut from the project.

The commissioners asked the PSD to curb its spending on the project until after the June 3rd meeting when they will make a decision on whether to proceed with the project or cancel it completely.

PERSONAL REPRESENTATIVES APPOINTED

The following proceedings, in fiduciary matters, have been had, orders entered of record in the clerk's office aforesaid in vacation of the said County Commission since the last report made to the commission:

Rose Starcher, Administratrix c.t.a., Charles Floyd Starcher

WILLS PROBATED

The following is a list of wills, having been probated by the Clerk of the County Commission, in vacation thereof, was this day presented to the Commission by the Clerk and the appointment thereof confirmed and said will be recorded and filed:

None Filed

ORDERS PLEASANTS COUNTY COMMISSION

May 21, 2008

FIDUCIARY SETTLEMENTS APPROVED

This estate was not referred to a Fiduciary Commissioner under the provisions of Chapter 44, Article 2, Section 24A, of the Code of the State of West Virginia. This report was filed in the Clerk's Office of the Commission 10 days prior to the first day of this term, was this day presented to the Commission by its Clerk, and no exceptions being taken thereof, said Settlement is confirmed and orders to be recorded and filed.

Daniel M. Shephard, Jr., Estate, Melissa B. Shepherd, Administratrix

Meeting adjourned 9:45 a.m.

Joe Rickard
President

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Order Book No. 26, at Page 609 thereof.

Given under my hand and seal of said Commission this 26th day of May, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

June 27, 2007

WEST VIRGINIA:

A regular session of the county commission of Pleasants County, was held at the courthouse, thereof, on Wednesday, June 27, 2007 at 9:00 A.M.

Present: Joe Reckard, President Absent
Jim Cottrill, Commissioner
Larry Barnhart, President Pro-Tem

The June 27th County Commission meeting was opened with prayer led by Larry Barnhart followed by the pledge of allegiance.

Due to the absence of President, Joe Reckard a motion was made by Jim Cottrill to appoint Larry Barnhart as President Pro-tem. Motion carried.

A motion by Jim Cottrill was made to accept the minutes from the June 6th commission meeting as presented.

COUNTY-WIDE WATER PROJECT

Tim Meeks and Fred Rader of the Mid-Ohio Valley Regional Council appeared before the commission to update members on the status of the water project and to submit final invoices for the 2006-07 fiscal year. The amount of $21,998.11 submitted by the regional council was for administrative services, meetings, reports prepared and Small Cities Block Grant Regulation Book.

Jim Cottrill made a motion to accept the bills in the amount of $21,998.11 as presented by Mid-Ohio Valley Regional Council. Motion carried.

Fred Rader went on to give an update on the lack of paid tap fees that are still haunting the commission and the Pleasants County Public Service District. This may cause the project to be cut or completely abandoned.

Over the past few weeks the regional council has been under the gun to aid the PSD in determining an accurate number of tap fees needed for the project. Before the project can be submitted to the West Virginia Public Service Commission for approval, 80 percent or the potential customers who signed user agreement some time ago must pay their $100 tap fees.

The problem is the PSD cannot provide that information to the commission or the Public Service Commission. Currently, Erin Thacker of St. Marys, grant coordinator for the regional council, is reworking the numbers and information. It appears about 320 customers have paid their tap fees, but that includes customers on the add/alternate lines of the project. Those are possible extensions to the initial project. Those on the add\alternate list cannot be submitted to the Public Service Commission.

The target number is around 344. Taking those on the add/alternate list off will leave us still needing about 70-80 paid tap fees.

The Public Service District is going to have to take a hard look at where this project stands,

Mr. Rader did indicate that the July deadline for the Public Service Commission will not be met and this will put the project further behind schedule.

CALCUTTA COMMUNITY BUILDING

Gertrude Scadden representing the Calcutta Community Building appeared before the County Commission requesting funding for new windows for the building. The building is in need of three new windows. The community club will replace one window and four window wooden frames at a cost of $518.10. The request to the commission was for the replacement of 2 windows and frames at a cost of $586.20.

Jim Cottrill made a motion to pay the $586.20 for two new windows at the Calcutta Community Building. The community club will pay the $518.10 for the other window. Motion carried.

SENIOR CENTER UPDATE

Marie Taylor, Director of the Senior Center appeared before the commission to inform them that the Senior Center will be adding a program to help housebound seniors.

The Lighthouse Program provides in-home assistance for seniors over 60 years old. Seniors can get help for 60 hours a month.

This program is basically for someone who is completely housebound. If an individual makes less than $20,000 a year, there is no charge for the service. The cost of the service is based on sliding scale.

Ms. Taylor reported that she is having problems keeping the Alzheimer's disease program open. The program has someone sit with the patient for a few hours while the caregiver runs errands or just rests.

The program needs to have a diagnosed Alzheimer's patient involved or the grant money will be removed.

AMBULANCE AUTHORITY NEW AMBULANCE

Harvey Hatfield and Jim Riggs of the Ambulance Authority informed commissioners that the Pleasants County Ambulance Authority plans to purchase a new ambulance for the local EMS service.

The cost of the new ambulance is $106,000. Trading in one of the county's current ambulance will lower the price to $90,200.

Mr. Hatfield informed the commission that a better offer is now on the table, Camden Clark Hospital has offered to purchase the old ambulance for $15,000.

Buying the new unit without a trade-in will cost $99,000. With the offer from Camden Clark will make the price $84,000.

Mr. Hatfield reported that the ambulance authority's uncollected bills for services will exceed

ORDER PLEASANTS COUNTY COMMISSION

June 27, 2007

COLT LEAGUE DONATION

The County Commission approved a donation to the Pleasants County Colt League of $400. Eric Straight coach of the Colt League made the request to help with registrations and umpire fees. The motion was made by Jim Cottrill. Motion carried.

DEVELOPMENT AUTHORITY MEMBERSHIP

The County Commission approved the following recommendations submitted by the Pleasants County Development Authority for membership to the board for three-year terms to commence on July 1, 2007.

Jim Elliott
Jim Hooper
Liz McGill-Bleakley
Clifford Smith

A motion was made by Larry Barnhart to accept the membership list as presented and to appoint Jim Cottrill as the commission representative to the Development Authority. Motion carried.

911 ISSUES

The County Commission decided to continue this issue due to the fact Commission President, Joe Reckard was not able to attend the June 25th meeting. This will be addressed during the July 11th meeting of the Commission.

REHABILITATION ENVIRONMENTAL ACTION PLAN

Tina Oldfield, County Administrator told commissioners about a request from the Rehabilitation Environmental Action Plan for a standard operating evaluation. This evaluation is important to the Development Authority as this determines funding from the state to the authority.

Commissioners gave Ms. Oldfield permission to gather the needed information to submit the required evaluation. Steve Bonanno will help gather information concerning the evaluation.

BUILDING PERMITS

#331 David Howell, Union District, Map 13, Parcel 2
#332 Habitat For Humanity, Union District, Map 3, Parcel 16.3

ORDER PLEASANTS COUNTY COMMISSION

June 27, 2007

BOOK 0026 PAGE 612

IMPROPER CHARGES

June 26, 2007

TO THE PLEASANTS COUNTY COMMISSION:

The following is submitted for your approval to be corrected on the 2006 Personal Property Book.

NAME READS:	Lemley, J. Michael & Barbara
DISTRICT:	City of St. Marys
TAX TICKET #:	302620
CLASS READS:	3
VALUE READS:	$7173
VALUE SHOULD READ:	$3408
TAXES READ:	$203.20
TAXES SHOULD READ:	$96.54

REASON FOR CORRECTION: Taxpayer requested this correction because the 2001 Toyota Corolla was titled in the name of Barbara Flower only. A new ticket should be created for her vehicle.

Submitted by:

/s/Vickie L. Gorrell
Vickie L. Gorrell
Pleasants County Assessor

Seen and Inspected by:

/s/Timothy L. Sweeney
Timothy L. Sweeney, Prosecuting
Attorney of Pleasants County

Approved by:

/s/Larry Barnhart
Joe Reckard, President
Pleasants County Commission
Larry Barnhart, President Pro-Tem

ORDER PLEASANTS COUNTY COMMISSION

June 27, 2007

PERSONAL REPRESENTATIVES APPOINTED

The following proceedings, in fiduciary matters, have been had, orders entered of record in the clerk's office aforesaid in vacation of the said County Commission since the last report made to the commission:

Hal C. Williamson, Administrator, Clarice E. Williamson, Estate
Ruby J. Davis, Administratrix, Edwin N. Davis, Estate

WILLS PROBATED

The following is a list of wills, having been probated by the Clerk of the County Commission, in vacation thereof, was this day presented to the Commission by the Clerk and the appointment thereof confirmed and said will be recorded and filed:

NONE FILED

FIDUCIARY SETTLEMENTS APPROVED

This estate was not referred to a Fiduciary Commissioner under the provisions of Chapter 44, Article 2, Section 24A, of the Code of the State of West Virginia. This report was filed in the Clerk's Office of the Commission 10 days prior to the first day of this term, was this day presented to the Commission by its Clerk, and no exceptions being taken thereof, said Settlement is confirmed and orders to be recorded and filed.

Vera J. Morrell, Estate, Mack E. Morrell, Executor
Edwin L. Garrison, Estate, Donna M. Garrison, Executrix
Robert L. Butler, Estate, M. Charlene Butler, Executrix
Mary E. Lyne, Estate, Lois A. Medley, Executrix

Meeting adjourned at 10:45

Larry Barnhart
President Pro-Tem

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 116 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:29:30 AM
Instrument NO 589731
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-116

OATH

State of West Virginia, County of Pleasants **ss:**

I, Jim Elliott, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2010

to the best of my skill and judgment, so help me God.

Jim Elliott

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 115 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:28:59 AM
Instrument No 509730
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-115

OATH

State of West Virginia, County of Pleasants **ss:**

I, Bob Doty, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2012

to the best of my skill and judgment, so help me God.

Robert N. Doty

Subscribed and sworn to before the undersigned, this the 3rd day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 113 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:27:14 AM
Instrument No 589728
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-113

OATH

State of West Virginia, County of Pleasants **ss:**

I, Liz McGill-Bleakley, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2010

to the best of my skill and judgment, so help me God.

Liz McGill-Bleakley

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 114 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:28:25 AM
Instrument NO 589729
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-114

OATH

State of West Virginia, County of Pleasants **ss:**

I, Jerry Davis, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2011

to the best of my skill and judgment, so help me God.

Jerry E. Davis

Subscribed and sworn to before the undersigned, this the 2nd day of June, 2010

Sue E Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 117 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:30:06 AM
Instrument NO 589732
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-117

OATH

State of West Virginia, County of Pleasants **ss:**

I, John Fitzpatrick, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2011

to the best of my skill and judgment, so help me God.

John Fitzpatrick

Subscribed and sworn to before the undersigned, this the 5th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 118 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:30:47 AM
Instrument No 589733
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-118

OATH

State of West Virginia, County of Pleasants **ss:**

I, Randa Gregg, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2012

to the best of my skill and judgment, so help me God.

Randa Gregg

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 119 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:31:58 AM
Instrument No 589734
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-119

OATH

State of West Virginia, County of Pleasants **ss:**

I, Jim Hooper, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2010

to the best of my skill and judgment, so help me God.

Jim Hooper

Subscribed and sworn to before the undersigned, this the 5th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 120 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:33:28 AM
Instrument No 589735
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-120

OATH

State of West Virginia, County of Pleasants **ss:**

I, Paul Ingram, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2011

to the best of my skill and judgment, so help me God.

Paul Ingram

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 121 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:34:02 AM
Instrument No 589736
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-121

OATH

State of West Virginia, County of Pleasants **ss:**

I, Bill Israel, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2012

to the best of my skill and judgment, so help me God.

William D Israel

Subscribed and sworn to before the undersigned, this the 4TH day of JUNE, 2010.

Sue E Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 122 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:34:34 AM
Instrument No 589737
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-122

OATH

State of West Virginia, County of Pleasants **ss:**

I, Ron McFadden, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2012

to the best of my skill and judgment, so help me God.

Ron McFadden

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 123 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:35:04 AM
~~Instrument No 509738~~
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-123

OATH

State of West Virginia, County of Pleasants **ss:**

I, F. Michael Nelson, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2011

to the best of my skill and judgment, so help me God.

F. Michael Nelson

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 124 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:35:36 AM
Instrument No 509739
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-124

OATH

State of West Virginia, County of Pleasants **ss:**

I, Art Olds, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2012

to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned, this the 4th day of June, 2010

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 125 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10.

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson

Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:36:15 AM
Instrument No 589740
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-125

OATH

State of West Virginia, County of Pleasants **ss:**

I, Max Powell, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2011

to the best of my skill and judgment, so help me God.

Max H. Powell

Subscribed and sworn to before the undersigned, this the 4TH day of JUNE, 2010.

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to wit:

I, Sue E. Morgan, Clerk of the County Commission of the County and State aforesaid, do certify that the foregoing is a true copy of a writing as it appears of record in my said office in Oath Book No. 1, at Page 126 thereof.

Given under my hand and seal of said Commission this 7 day of June, 20 10

Sue E. Morgan

Clerk of the County Commission of
Pleasants County, West Virginia

Sally Danielson
Deputy Clerk

SUE E MORGAN
PLEASANTS County 08:36:54 AM
Instrument No 589741
Date Recorded 06/07/2010
Document Type OATH
Book-Page 1-126

OATH

State of West Virginia, County of Pleasants **ss:**

I, Clifford Smith, do solemnly swear that I will support the constitution of the United States and the constitution of this State and that I will faithfully discharge the duties of my office of Pleasants County Development Authority

Term expires June 30, 2010

to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned, this the 5th day of June, 2010

Sue E. Morgan

Clerk County Commission, Pleasants County, W. Va.

CASTO & HARRIS INC., SPENCER, W. VA.

BY-LAWS

OF THE

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

Article I
Name and Location

Section 1

The name of this corporation shall be the

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

Section 2

Its office shall be located in
St. Marys, Pleasants County, West Virginia

Article II
Purposes

Section 1

This non-profit Authority is organized for the purposes set forth in Chapter 7, Article 12 of the Code of West Virginia, as amended. These include the promotion, development, and advancement of the business prosperity and economic welfare of Pleasants County, West Virginia, its citizens and industrial complex. Specifically, it will:

1. Encourage and assist through loans, investments or other business transactions in the locating of new business and industry within the county and to rehabilitate and assist existing businesses and industries therein;

2. Stimulate and promote the expansion of all kinds of business and industrial activity which will tend to advance business and industry development and maintain the economic stability of the county, provide maximum opportunities for employment, encourage thrift, and improve the standard of living for the citizens of the county;

3. Elicit the cooperation of other organizations in the promotion and advancement of industrial, commercial, agricultural, and recreational developments of the county; and,

4. Furnish money and credit, land and industrial sites, technical assistance and such other aid as may be deemed requisite to approved and deserving applicants for the promotion, development and conduct of all kinds of business activity within the county.

Section 2

It is the purpose of this article to provide for promotion, development and advancement of the business prosperity and economic welfare of the county, its citizens and its industrial complex. This article shall be liberally construed as giving to the Authority full and complete power reasonably required to give effect to the purposes hereof.

Article III
Membership

Section 1

The property, operations, business and affairs of the Authority shall be managed and controlled by a group of members hereafter referred to as the **Board**, *consisting of 15 persons.* The members shall be appointed by the Pleasants County Commission. The county commission shall appoint one member to represent the county commission on the board and, for each municipality located within the county , the county commission shall appoint one member to represent the municipality. The city and town council of each municipality located within the county shall submit to the county commission the names of three persons, one of whom the county commission shall appoint to be the municipality's representative on the board. Members shall be persons 18 years or older, who are citizens of the United States, *residing in Pleasants County, West Virginia.* No one shall be denied membership on the basis of race, sex, age, creed, national origin or religious beliefs.

Section 2

No member of this Authority shall receive or in any way derive any profit from the operation of the Authority, and no part of the net income of the Authority shall inure to the benefit of any member. Each member shall, however, be entitled to reimbursement by the Authority for any necessary expenditures in connection with the performance of his/ her general duties a such member.

Section 3

Upon the dissolution of this Authority, any and all funds and assets then in its possession, after the payment of its obligations, shall automatically pass to and become the property of the Pleasants County Commission, to be used by it for such public improvements and purposes as the said Commission shall deem proper.

Article IV
Meetings

Section 1

There shall be an annual meeting of the **Board** which shall be held in July of each year. The purpose of such meeting shall be to elect officers, determine the time and place of the regular meetings for the succeeding year, and to transact such other business as may be properly brought before it. The Secretary shall give at least three days notice prior to such meeting to each member. This notice is to be given by addressing and mailing the same to each member's address.

Section 2

The **Board** shall meet at least bi-monthly at such time and place as it determines for the succeeding year at the annual meeting, giving public notice of the same.

Section 3

Special meetings of the **Board** may be called at any time by the President or the Executive Committee of the **Board** by addressing and mailing to each member at his/her address last known a written notice of the time, place, and purpose of such meeting at least three (3) days prior to the convening thereof. In emergency situations or because of compelling circumstances as determined by the President or Executive Committee, the three-day notice provision may be waived.

Section 4

The President, or in his/her absence, the Vice President, shall preside at all such meetings.

Section 5

Every member shall have the right to vote in person. Except as otherwise specified herein, all decisions of the Authority shall be determined by a majority vote of those present and voting.

Section 6

A quorum for the transaction of business at any meeting shall consist of eight (8) members.

Article V
Board

Section 1

The **Board** shall approve all conveyances, deeds of trust, mortgages, leases, loans, bills of sale, contracts, or assignments or other instruments or transactions necessary to the conduct of the business of this corporation in compliance with the purposes and terms of the corporate charter.

Section 2

The members first appointed shall serve respectively for terms of one year, two years, and three years, divided equally. Thereafter, members may be appointed for such additional three (3) year terms as the appointing agency may deem appropriate.

Section 3

If a member resigns, is removed or for any other reason his membership terminates during his term of office, a successor shall be appointed by the county commission to fill out the remainder of his term.

Section 4

The President, Vice President, Treasurer, the representative of the County Commission (if such representative is NOT an officer of the Authority), *and one member of the authority elected at-large* shall serve as members of the Executive Committee of the Authority. The Executive Committee shall manage the business of the Authority between meetings, and shall generally direct the on-going activities specified by the Board, with the exception of those specifically reserved for the full **Board**. The Executive Committee will meet a minimum of once per quarter and more often if deemed necessary with recorded minutes to be forwarded to the full membership.

Section 5

The **Board** may create and discontinue, at its discretion, standing committees to perform specific functions and tasks on behalf of the **Board** as it may direct.

Article VI
Officers

Section 1

The officers of the Authority shall be a President, Vice President, and Treasurer. All terms will be of one year duration, and shall hold office until their successors are duly elected and qualified. Additionally, the Executive Director of the Authority shall serve as its Secretary, but shall not be a member nor enjoy any of the privileges of membership.

Section 2

The President shall preside at all **Board** and Executive Committee meetings; shall have general supervision over the affairs of the Authority and over the other officers; shall sign all leases, deeds, instruments and written contracts of the Authority and shall countersign all checks; shall be empowered to appoint members of standing committee within each fiscal years; and shall perform all such other duties as are incident to his/her office or as are delegated to him/her by the **Board.**

Section 3

The Vice President shall, in the event of the absence or disability of the President, perform the duties of the President.

Section 4

The Executive Director shall issue notices to all members of regular and special meetings of the **Board,** shall attend meetings of the **Board,** and shall keep the minutes of the same. The Executive Director will cause to filed in the County Clerk's Office, minutes of all regular and special meetings of the **Board.** The Secretary shall have charge of all corporate books, records, and papers; shall attest with his/her signature all contracts of the Authority; shall notify the County Commission of pending vacancies and request said County Commission to enter an order making the necessary appointments or re-appoints to maintain a full **Board** of the Authority; and shall perform all such other duties as are incident to this responsibility or as are assigned to him/her by the **Board.**

Section 5

The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in appropriate corporate books and shall keep the monies of the Authority in a separate amount or accounts to the credit of the Authority. He shall disburse the funds of the Authority as may be ordered by the **Board,** taking a proper voucher for such disbursements, and he/she shall render to the President and the **Board** at the regular meeting of the **Board** or whenever they may require it, an account of all his/her transactions as Treasurer, and the financial condition of the Authority, and shall perform all such other duties as are incident to his/her office or as are delegated to him/her by the **Board.** Additionally, the Treasurer, on behalf of the Authority, shall make a monthly report to the County Commission and municipalities containing an itemized statement of its receipts and disbursements. Within sixty (60) days after the end of each fiscal year, he/she shall, on behalf of the Authority, make an annual report containing an itemized statement of its receipt and disbursements for the preceding year, and such annual report shall be published as a Class I legal advertisement in compliance with the provisions of Article 3, Chapter 59 of the Code of West Virginia, and the publication area for such publication shall be Pleasants County.

Article VII
Fiscal Year

The fiscal year of the Authority shall begin on the 1st day of July and end on the 30th day of June.

Article VIII
Seal

The Seal of the Authority shall be as shown in the following impression:

Article IX
Ethics

No member of the Authority is to engage in activities defined as unethical or illegal by Chapter 6B and any subsequent Amendments of the West Virginia Code, originally known as the "Ethics Bill."

Article X
Amendments

Amendments of these by-laws may be made by an affirmative vote of two-thirds of the full membership of the Authority at any annual membership meeting or by such vote at a special meeting called for that purpose, providing the notice of said special meeting contains the proposed amendment.

Date of Original Passage:	August 10, 1989
Date of Amendment:	June 25, 1992
	(Article V Section 3) Deleted
	(Article VI Section 1 & 6) Deleted
Effective Date:	July 1, 1993
Revised:	July 11, 2002 (Changes in Italics)

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PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL

12/3/2009

Entered: November 13, 2009

CASE NO. 08-2110-PWD-W-PC-CN

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT,
COUNTY COMMISSION OF PLEASANTS COUNTY and
PLEASANTS COUNTY DEVELOPMENT AUTHORITY,
Pleasants County, West Virginia.

Joint application for a certificate of public convenience and necessity to construct, operate and maintain a water distribution system to serve approximately 200 customers residing in Jefferson, Lafayette, McKim, Union, and Washington Magisterial District in Pleasants County, approval of an Agreement and Lease, approval of an Operation and Maintenance Agreement, and associated financing therewith.

RECOMMENDED DECISION

PROCEDURE

On December 22, 2008, the Pleasants County Public Service District (District) filed a duly verified application for a certificate of public convenience and necessity under the auspices of West Virginia Code §24-2-11 to construct, operate and maintain a water distribution system to serve 200 customers residing in the Jefferson, Lafayette, McKim, Union, and Washington Magisterial Districts in Pleasants County. According to the application, the project is estimated to cost $7,997,000 and will be financed by a Small Cities Block Grant (SCBG) in the amount of $1,500,000; a Pleasants County Commission Grant in the amount of $3,600,000; a State and Tribal Assistance Grant (STAG) in the amount of $1,443,400; a Rural Utilities Services (RUS) Grant in the amount of $1,088,600; and an RUS Loan in the amount of $365,000 with payback terms of 4.5% interest for 40 years. During the first two years of the RUS loan, the District will be obligated to pay interest only.

Also on December 22, 2008, by Commission Order, the District was ordered to publish the December 22, 2008 Notice of Filing Order regarding its project as a Class I legal advertisement in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Pleasants County, West Virginia, filing the certificate of publication immediately after publication.

The Form No. 14 filed with the application did not state a rate per thousand gallons of water purchased; however, in a subsequent filing on December 23, 2008, the District advised that it intended to charge $11.50 per thousand gallons of water purchased.

KAG

By Referral Order entered on January 7, 2009, the Commission referred this case to the Division of Administrative Law Judges with a decision due date of May 6, 2009, if no timely public protest was filed in response to the publication of the Notice of Filing, and a due date of July 20, 2009, if timely protest was filed.

On January 26, 2009, Staff Attorney John Auville of the Legal Division filed an Initial Joint Staff Memorandum consisting of a cover memorandum prepared by Mr. Auville and an Initial Internal Memorandum prepared by Utilities Analyst Nathan Nelson of the Water and Wastewater Division and Technical Analyst Jim Spurlock of the Engineering Division. Collectively, Commission Staff advised that, before it could conduct a proper review of the certificate application, virtually all of the information required by Procedural Rule 26.1's checklist would need to be provided by the District. As pointed out by Staff, the District needed to file its Rule 42 Exhibit for the new system; any applicable agreements between the District and other utilities; the commitment letters from the funding sources and the applicable terms and conditions for the RUS loan; and the details of any interim financing associated with the proposed project. Staff also recommended that the application be referred to the Division of Administrative Law Judges for disposition and decision.

On January 29, 2009, the District's certified public accountant filed the Rule 42 Exhibit for the project based on the funding scenario outlined in the December 22, 2008 application.

On February 4, 2009, the District filed certain engineering documents, including contract revised plan sheets, revised specifications for the project and correspondence from the West Virginia Bureau of Public Health requesting revisions to the permit application.

On February 6, 2009, the District filed the Affidavit of Publication regarding the proposed project, the affidavit of its Chairman confirming that individual notice of the project was mailed to the potential customers and a copy of the Intergovernmental Agreement consummated by and between the District and the City of St. Marys for the purchase of water for resale by the District. According to the Affidavit of Publication, the Notice of Filing was published in The St. Marys Oracle on January 14, 2009, as a Class I legal advertisement.

On March 23, 2009, the District filed a motion for a continuance of all deadlines associated with its certificate application. As cause, the District advised that the financing for the project had changed and that the application would be revised to reflect that it is a joint application with the Pleasants County Commission and the Pleasants County Development Authority as co-Applicants. Additionally, the District represented that the neither the total project costs nor the proposed rates and charges would change from its initial application.

Also on March 23, 2009, Staff Attorney Auville filed a Further Joint Staff Memorandum to which was attached a March 23, 2009 Further Initial Internal Memorandum prepared by Mr. Nelson and Mr. Spurlock. Staff advised that the scope of the project had changed and that the matter should be tolled so that the necessary information, previously requested in the January 26, 2009 Initial Joint Staff Memorandum, could be filed. In the alternative, Staff stated that the dismissal of the application

would be necessary, if the proceeding was not tolled, because of the statutory time constraints involved.

By Commission Order entered on March 27, 2009, the statutory time period for this proceeding was tolled and the procedural deadlines previously established, including the May 6, 2009 due date, were suspended in order to provide sufficient time for the filing of a revised certificate application and proposed procedural schedule.

On April 7, 2009, an undated joint application for a certificate of public convenience and necessity was filed by the Pleasants County Public Service District, the Pleasants County Development Authority (Development Authority) and the Pleasants County Commission (County Commission) under Case No. 08-2110-PWD-CN. (Collectively, they will be referred to as Joint Applicants). The Joint Applicants seek to construct, operate and maintain a water distribution system to serve approximately 200 District customers situated in Jefferson, Lafayette, McKim, Union, and Washington Magisterial Districts in Pleasants County. According to the application, the system will be constructed and operated pursuant to a Lease Agreement and an Operation and Maintenance Agreement. Among the documents accompanying the joint application was a revised binding commitment letter for funding from the Infrastructure Jobs and Development Council (Council) dated November 13, 2008, indicating that the Council committed a loan to the proposed project, with the Development Authority as borrower, in the amount of $3,000,000 at an interest rate of 0% for a period of 15 years.

On April 17, 2009, Staff filed its Second Further Joint Memorandum recommending a new procedural schedule and that an Amended Notice of Filing be published.

By Commission Order entered on April 24, 2009, the Commission established a new statutory decision due date of August 18, 2009, a new recommended decision due date of July 2, 2009, and a new final Staff memorandum date of June 1, 2009, and returned the matter to the Division of Administrative Law Judges for further consideration. The Commission declined to implement Staff's recommendation regarding the publication of an Amended Notice of Filing, since the Joint Applicants had argued that the proposed rates for the project would not change.

On May 15, 2009, the District's counsel filed additional information related to the proposed project consisting of a letter from the West Virginia Water Development Authority (WDA) wherein the WDA agreed to purchase a water revenue bond to be issued by the Development Authority at an interest rate of 4% for a period of 15 years. The District also filed a copy of the May 6, 2009 Resolution of the Pleasants County Commission wherein the County Commission indicates that it intends to commit $250,000 in fiscal years 2009 and 2010, respectively, for the proposed project.

By Procedural Order issued on May 26, 2009, the undersigned pointed out certain perceived deficiencies with the revised certificate application filed on April 7, 2009. Among other things, the undersigned ordered that the Joint Applicants file certain information so that a proper review could be undertaken of the application and so that an Amended Notice of Filing could be prepared and published.

On May 28, 2009, Commission Staff filed a Further Joint Staff Memorandum advising that its final substantive recommendations would be filed after the information identified in the May 26, 2009 Procedural Order was filed. Staff also advised that it shared the concerns expressed by the Administrative Law Judge and, without the requisite information, it could not provide its substantive recommendations.

On June 1 and June 2, 2009, a Motion to Toll and a Revised Motion to Toll the statutory deadline in this proceeding were filed by the Joint Applicants. As cause, the Joint Applicants noted that an additional 45 days would allow sufficient time for the requested information to be gathered and filed and would also allow sufficient time for Staff to complete its review of the revised application and additional information once filed. The Joint Applicants requested that they be given until June 16, 2009, to provide the information requested by the May 26, 2009 Procedural Order.

By Commission Order entered on June 8, 2009, the June 2, 2009 Joint Motion to Toll the statutory due date for an additional 45 days was granted. Additionally, the Commission reset the decision due date as August 17, 2009; provided Commission Staff with a new date of July 16, 2009, to file its final substantive recommendations; and granted the Joint Applicants until June 16, 2009, to file the information sought by the May 26, 2009 Procedural Order.

On June 15, 2009, Annjeanette Vealey, CPA, filed a letter stating, among other things, that the rates calculated in the Rule 42 Exhibit will generate sufficient revenue to pay the proposed operating expenses of the system and the debt service requirements for the proposed $365,000 RUS loan. Additionally, Ms. Vealey noted that the revenues from the 200 customers to be served by the proposed project will not be utilized for either the repayment of the Infrastructure Council loan or the WDA loan. Accordingly, Ms. Vealey concluded that the revised filing will not require an updated Rule 42 Exhibit.

On June 16, 2009, the Joint Applicants filed a response to the May 26, 2009 Procedural Order. The response included a copy of the June 15, 2009 letter prepared by Ms. Vealey, a revised Form No. 14, a document purported to be the final version of the Agreement and Lease, and a document purported to be the final version of the Operation and Maintenance Agreement.

By Procedural Order issued on June 25, 2009, the undersigned requested that certain additional information regarding the certificate application be filed by the Applicants no later than June 30, 2009. On June 30 and July 2, 2009, the Applicants filed additional information related to the certificate application.

On July 17, 2009, Commission Staff filed a Fourth Further Initial Joint Staff Memorandum advising that its final substantive recommendations would not be timely filed. Staff stated that it needed additional time to file its final recommendations because more details were needed to evaluate the contract employees listed in the Rule 42 Exhibit; the contracts for the contract employees were needed for evaluation; the minutes of the Board and City confirming their respective approval of the water purchase agreement were needed; and the tariff

sheet showing the charges referred to in the water purchase agreement was needed. Staff advised that it would need until July 24, 2009, in order to file its substantive recommendations. Staff also advised that, if it needed additional time or should a hearing be required, it would work to seek an extension of the decision due date.

By Procedural Order issued on July 20, 2009, the undersigned extended the filing due date for Staff'S substantive recommendations to July 24, 2009, in recognition of the intricacies of the issues presented in this case. The undersigned also cautioned that, if Staff's substantive recommendations were not filed by July 24, 2009, an appropriate extension of the statutory deadline would, in all likelihood, have to be obtained, in order to avoid dismissal since the decision due date at that time was August 17, 2009.

Additional information in support of the revised application was filed by the Applicants on July 21 and 22, 2009. That information included a cursory description of the portions of the water system and facilities to be owned by the District and the Development Authority, respectively; an Intergovernmental Agreement and tariff between the District and the City of St. Marys; and the official minutes from the meetings wherein the City Council of the City of St. Marys and the District's Board approved the Intergovernmental Agreement. This information had been previously requested of the Applicants but had not been timely received.

On July 24, 2009, the Applicants filed a Motion to Toll the revised certificate application for an additional 90 days. As cause, the Applicants related that the additional processing time would allow them to meet with Commission Staff and would provide Staff more time to review the complex issues and voluminous documents filed in the case.

On July 24, 2009, Staff filed a Further Joint Memorandum advising the Commission of its intention to meet with the Applicants on July 28, 2009, in order to discuss outstanding issues related to the revised application.

By Order of the Commission entered on July 29, 2009, the Applicants' Motion to Toll was granted. The decision due date was extended until November 15, 2009, and Staff's substantive report due date was extended to October 14, 2009.

On August 20, 2009, the Applicants made an additional filing in support of the revised application as a result of the July 28, 2009 meeting with Commission Staff. Among other things, the Applicants filed revised and initial agreements dealing with the Agreement and Lease between the Pleasants Development Authority and the Pleasants County Commission; the Operation and Maintenance Agreement among the Applicants; the Intergovernmental Agreements for purchase of water from the City of St. Marys for resale; and the respective Rule 42 Exhibits regarding the financial issues related to the proposed project.

On August 24, 2009, the Applicants filed further information in support of the revised application including copies of the official minutes of the St. Marys City Council, the Pleasants County Development

Authority and the Pleasants County Public Service District which were held in August 2009, regarding the revised certificate application.

On September 22, 2009, the Applicants filed additional information in further support of the revised certificate consisting of signed Users Agreements and associated documentation.

By Procedural Order issued on October 15, 2009, a procedural schedule was adopted and this matter was set for evidentiary hearing to be held in Belmont, West Virginia, on October 21, 2009, just in case the Applicants and Staff could not agree on the final disposition of the revised application once Staff's substantive report was filed.

On October 16, 2009, Commission Staff filed its final substantive recommendations regarding the disposition of the revised certificate application.

On October 19, 2009, the Applicants filed their response to Staff's recommendations. The Applicants noted their agreement with Staff's recommendations, so long as it was clarified that the portion of the District's customers that will be served by the Union Williams Public Service District would be charged for service based on Union Williams' tariff. The Applicants also requested that the hearing scheduled for October 21, 2009, be cancelled.

Also on October 19, 2009, the Administrative Law Judge cancelled the procedural schedule adopted on October 15, 2009, including the October 21, 2009 hearing.

DISCUSSION

Sufficiency of the Published Notice of Filing.

The Order entered on December 22, 2008, required publication of the Notice of Filing in Pleasants County. The affidavit of publication was filed on February 6, 2009, confirming publication of the Notice of Filing on January 14, 2009, as a Class I legal advertisement in The St. Marys Oracle. The affidavit establishes that the District substantially complied with the publication requirements contained in the December 22, 2008 Order.

On April 7, 2009, a revised certificate application was filed which, inter alia, made the Pleasants County Development Authority and the Pleasants County Commission as Joint Applicants and co-sponsors of the proposed project. Additionally, the funding scheme for the project significantly changed. The $3,600,000 grant to be provided by the County Commission was reduced to $500,000 and the $3,100,000 would now be loans provided by the West Virginia Infrastructure and Jobs Development Council and the West Virginia Water Development Authority. The funding scenario was further refined by the Applicants whereby the Pleasants County Development Authority would issue revenue bonds that would be purchased by the West Virginia Water Development Authority at 4% interest for a period of 15 years.

In its Memorandum filed on April 17, 2009, Commission Staff recommended that, in addition to establishing a new procedural schedule,

an Amended Notice of Filing should be published. Although the Commission declined to order the publication of an Amended Notice of Filing, the undersigned indicated in a May 26, 2009 Procedural Order that an Amended Notice of Filing might be required so that the public could be properly informed of the various transactions associated with the revised certificate application. Additionally, the Joint Applicants were ordered to file additional crucial information in support of the revised project, no later than June 2, 2009. After two further motions to toll were granted and a series of Procedural Orders were issued, sufficient documentation was finally filed by the Joint Applicants on August 20, 2009, to substantiate their claim that the published rates established for the project were sufficient, notwithstanding significant changes to the funding for the project.

It is also important to note that the customers who had signed Users Agreements to purchase water service from the District were mailed individual notice as to the proposed rates. Also, the number of customers to be served by the project was not decreased by the revised application. Further, the overall project cost was not increased. However, one notable change involved the ownership of the constructed facilities. Rather than the project being solely owned by the District, as was published on January 14, 2009 in The St. Marys Oracle, the project, if approved, will be partially owned by the Development Authority for at least a period of 15 years or until its WDA bonds are paid in full. See, e.g., page 18, Section 5.07, of the June 1, 2009 version of the Agreement and Lease filed August 20, 2009. Nevertheless, the rates to be charged by the District and the Development Authority will be exactly the same.

Based on the foregoing, the Administrative Law Judge determines that, in this instance, the Notice of Filing published on January 14, 2009, is sufficient and substantially complies with the requirements of West Virginia Code §24-2-11 and the applicable Rules of Practice and Procedure.

The statutory time frame for timely protest expired on February 11, 2009, without protest being filed. Accordingly, the disposition of this case may be determined without hearing.

Disposition of the Water Purchase Contracts, Operation and Maintenance Agreements, and Agreement and Lease Contract.

Based upon the funding scenario and the source of water supply for the proposed project, the Joint Applicants are seeking approval of water purchase contracts, an operation and maintenance agreement as well as an agreement and lease contract.

It is proposed that the District and Development Authority purchase their total water needs from the City of St. Marys. Commission Staff is satisfied that the City has the requisite capacity to provide the necessary quantities of water for the proposed project and future growth. Staff recommends approval of the water purchase agreement between the District and City with a modification to the paragraph number 6. Specifically, Staff recommends that the identified paragraph be modified to read as follows:

> Currently, the City is authorized to charge the District at the rates shown on the attached tariff. The parties agree that those rates may be amended from time-to-time and it is the intent of the parties that the District shall pay based on the City's effective tariff currently on file with the Public Service Commission for the time period in which service is rendered. The District's obligation to pay and the City's recourse, in the event of nonpayment, shall be in accordance with the Rules and Regulations established by the Public Service Commission of West Virginia. (Emphasis added).

The Joint Applicants do not object to the aforementioned modification to the Water Purchase Contract. Accordingly, the water purchase contracts will be approved contingent on each contract being appropriately modified as recommended by Staff.

Although Commission Staff did not specifically recommend any modifications to the proposed Operation and Maintenance Agreement, Staff did recommend that the Development Authority and the District file separate annual reports, since in a future rate case Staff will have to determine the cost of service for each utility separately. On page 11 of the Operation and Maintenance Agreement at Subpart V.F. of the agreement, it states that the PSD agrees to annually provide a combined annual report to the Public Service Commission and the PCDA agrees to the PSD providing its information in the combined annual report. Since, as Staff indicates, the cost of service for each utility will be determined separately and since the Applicants did not object to this particular recommendation, Subpart V.F. will be modified. The two instances of "combined annual report" shall be replaced with "separate annual report."

In addition to the aforementioned modification to the O&M Agreement, the Joint Applicants will be required to delete Subparagraph XI.B. This particular subparagraph appears to attempt to contractually limit the Commission's lawful authority to properly review and modify the O&M Agreement. Removal of the subparagraph does not impair the parties ability to perform under the agreement.

Finally, with respect to the O&M Agreement, the Joint Applicants will be required to attach full and complete copies of all appendices referenced in the agreement when the executed agreement is filed. Similarly, with regard to the Agreement and Lease, the Joint Applicants will be required to file complete and clearly identified copies of all exhibits referenced therein with the executed document when it is filed.

A Joint Certificate Must be Granted to the District and the Development Authority.

In its final recommendations, Staff recommended that a joint certificate be granted to the District and the Development Authority, since both will have legal ownership of portions of the proposed project until such time as the bonds which financed the construction of the Development Authority's facilities are paid in full. However, Staff did not fully explain why the Development Authority would be subject to the Commission's jurisdiction and is an appropriate party to jointly hold any certificate approved in this case.

Under West Virginia Code §§7-12-1, et seq., a legally constituted development authority, such as the Pleasants County Development Authority, may operate as a public corporation and is empowered to generally do any and all things necessary or convenient for the purpose of promoting, developing and advancing the economic welfare of the county in which it is intended to operate. Undeniably, financing and constructing a part of the proposed project which provides potable water service to 80 customers would squarely fall within the aforementioned powers of the Development Authority.

As outlined in the revised application, 200 customers will be served by the proposed project once constructed, of which 80 customers will be Development Authority customers. West Virginia Code §24-2-1(a) states that the jurisdiction of the Commission shall extend to all public utilities in the State and shall include any utility engaged in, among other things, supplying water. Although the District will operate and maintain the leased portion of the project, the leased portion will be financed, constructed and owned by the Development Authority. It is well-settled that all facilities through which service is rendered must be owned by the utility. See, e.g., Case No. 8850, Hurst v. West Virginia Water Company, 66 ARPSCWV 248 (1978), reconsideration, 66 ARPSCWV 256 (1979), aff'd sub nom.; West Augusta Development Corporation v. Public Service Commission, Slip Opinion No. 14585, 67 ARPSCWV 163 (1980); Case No. 82-259-S-C, Burns v. The Sanitary Board of the City of Huntington, 70 ARPSCWV 1571 (1982); Case No. 87-082-W-C, Grayley v. Lincoln Public Service District; Case No. 87-087-W-C, Liebert v. Lincoln Public Service District (October 13, 1987 Commission Order); Case No. 87-269-W-C, Mountaineer Heights Homeowners Association v. Pinch Public Service District (1988); and Case No. 87-342-S-C, Volk v. Broadmoor/Timberline Apartments, (April 15, 1988 Commission Order). Under the revised application presented to the Commission for review and approval, ownership of the leased portion of the project will only vest in the District after the bonds are paid in full. Therefore, as owner of the portion of the facilities financed by the Infrastructure Council and the WDA, the Development Authority must be made a joint certificate holder, subject to the Commission's jurisdiction, since it will be providing service via those facilities and will be receiving payment for those services.

Discussion of the Particulars of the Joint Application.

Just like the original filing, the revised application estimates that it will cost approximately $7,997,000 in order to construct the proposed project. The funding sources are as follows:

Infrastructure Council Loan	$3,000,000	(0%, 15 yrs.)
Water Development Authority Loan	100,000	(4%, 15 yrs.)
USDA-RUS Loan	365,000	(4.5%, 38 yrs.)
Pleasants County Commission Grant	500,000	
STAG Grant	1,443,400	
USDA-RUS Grant	1,088,600	
Total	$7,997,000	

The Development Authority will be responsible for $3,100,000 of the total project debt, consisting of a $3,000,000 Infrastructure Council loan and a loan from the Water Development Authority. Under the

proposed financing, the loans will be paid back through the rates charged for services rendered and from the monies paid to the Development Authority by the County Commission for leasing the Development Authority's portion of the project. Also under the new financing scheme, the rates and charges paid by the Development Authority's customers will mirror the rates and charges proposed for the District's customers. Staff has determined that the proposed rates and charges and monies received under the lease agreement will allow the Pleasants County Development Authority to operate with an annual cash flow surplus of $405 and debt service coverage of approximately 116%. Based upon Staff's calculations, the 80 customers who will be served by the Development Authority's portion of the project will generate $46,451 per year in operating revenues. The operating revenues generated by the customers plus the approximately $229,764 in other revenues which would be received from leasing the lines to the Pleasants County Commission results in $276,215, annually, to pay the project's operating expenses and debt service coverage.

The residual debt associated with the proposed project will be paid by the District. The District will be responsible for arresting the $365,000 USDA-RUS loan. Based on Staff's analysis of the District's Rule 42 Exhibit, the 120 customers to be served by the District's portion of the project will generate $69,676 in operating revenues. After payment of O&M expenses, which are estimated to be $45,076, the District will have $24,600 available for debt service. Once the debt service requirements are paid, it is estimated that the District will have a cash surplus of $744 and debt service coverage of 122.36%.

All funding commitment letters for the proposed project are contained in the case file. Additionally, the State Office of Environmental Health Services has issued Permit No. 18,228 for the project. Further, Staff's review did not reveal any conflicts with the Commission's Rules and Regulations.

The need for the project is supported by the fact that the customers who will benefit from the proposed project currently do not have a public water service. Residents either obtain water service via private wells or haul water for use.

Although Staff recommended approval of the certificate application, Staff noted certain precautions that should be taken regarding this particular application. Among those precautions, Staff recommended that, if the County Commission of Pleasants County decides to terminate the lease agreement, the parties should give the Public Service Commission advance notice of the termination. Furthermore, Staff recommended that, if the plans and scope of the project change, the District, the Development Authority and the County Commission should seek additional Commission approval of such changes. Staff also recommended that, if the rates need to be changed, the District, the Pleasants County Development Authority and the Pleasants County Commission should seek Commission approval of such changes. In addition, Staff recommended that its proposed tariffs be approved for use by the District and the Development Authority upon substantial completion of the project. Staff also recommended that, if a change to the project financing or cost that did not change the project-related rates, the parties did not have to receive additional approval from the Commission. However, an affidavit executed

by a certified public accountant, verifying that the rates and charges of the Development Authority and the District would not be affected by the change in the financing for the project, must be filed with the Commission.

Finally, Staff recommended a stylistic change to the case designation. The Administrative Law Judge agrees with the recommended change that adds a "W" to the case designation to reflect that the Pleasants County Development Authority will receive a certificate. Accordingly, the Executive Secretary's Office will be ordered to change the style of the case to reflect the following: Case No. 09-0781-PWD-W-PC-CN.

Based on all of the above, the Administrative Law Judge finds it reasonable to grant the certificate application as amended on April 7, 2009, to the Pleasants County Public Service District and the Pleasants County Development Authority. The Administrative Law Judge finds the project to be both necessary and convenient as it will supply public water service to 200 customers who currently do not have such service, and the project is fully funded.

FINDINGS OF FACT

1. On December 22, 2008, the Pleasants County Public Service District filed a duly verified application for a certificate of public convenience and necessity in order to provide potable water service to 200 customers currently without such service at a cost of $7,997,000 to be financed by various funding sources. On April 7, 2009, the District filed a revised application which included the Pleasants County Commission and the Pleasants County Development Authority as joint applicants and significantly changed the project's funding sources. (See, December 22, 2008, and April 7, 2009 applications).

2. The affidavit of publication filed on February 6, 2009, confirmed that the publication of the Notice of Filing took place on January 14, 2009, as a Class I legal advertisement in The St. Marys Oracle. The affidavit established that the District substantially complied with the publication requirements contained in the December 22, 2008 Order. No protest has been filed in response to that publication. (See, affidavit of publication filed on February 6, 2009; case file generally).

3. On October 16, 2009, Commission Staff filed its final recommendations recommending approval of the joint project subject to certain conditions. (See, Final Joint Staff Memorandum filed October 16, 2009).

4. The 200 customers to be served by the proposed project have depended for years on well water and/or have to haul water. (See, October 16, 2009 Final Joint Staff Memorandum).

5. The West Virginia State Office of Environmental Health Services has issued Permit No. 18,228 for the project. Further, Staff's review did not reveal any conflicts with the Commission's Rules and Regulations. (See, Final Joint Staff Memorandum filed October 16, 2009).

6. After investigation and review of the proposed project, Commission Staff recommended, among other things, that the Pleasants County Public Service District and the Pleasants County Development Authority be jointly granted a certificate of public convenience and necessity and that the Staff-recommended rates be approved for charge to the customers who will benefit from the project upon its substantial completion. (See, October 16, 2009 Final Joint Staff Memorandum).

7. All funding commitment letters for the project are contained in the case file. (See, case file generally).

8. Staff's final recommendations were mailed to the Joint Applicants by United States First Class Mail, postage prepaid, on October 16, 2009, with a cover letter from the Commission's Executive Secretary providing the Joint Applicants the opportunity to respond within ten days to those recommendations. (See, Executive Secretary's letter dated September 8, 2009 and attachment; case file generally).

9. On October 19, 2009, the Joint Applicants filed a response to Staff's final recommendations noting their agreement therewith, so long as the portion of the Authority's customers who will be served by the Union Williams Public Service District would be charged for service based on Union Williams' tariff. (See, October 19, 2009 response).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the project.

2. It is reasonable to approve the certificate application, as revised on April 7, 2009, including the Agreement and Lease, the water purchase contracts and the Operation and Maintenance Agreement, as modified herein, since the project is fully funded and because 200 customers who are currently without public water service will be served by the project.

3. It is also reasonable to approve the certificate as revised on April 7, 2009, to the Pleasants County Public Service District and the Pleasants County Development Authority, without hearing, subject the conditions recommended by Staff and as modified herein. Both entities have the statutory authority to own and operate water systems. West Virginia Code §§7-12-1, et seq., and 16-13A-1, et seq. operate.

4. It is also reasonable to approve the certificate for the Pleasants County Development Authority since the Authority will finance, construct and own the project until the bonds to the Infrastructure Council and WDA have been paid off in full.

5. It is also reasonable to grant a certificate to the Pleasants County Development Authority since the Authority will own a portion of the project through which service will be provided and such the Authority is a public utility as defined under West Virginia Code §24-2-1(a)). (See, West Virginia Code §§7-12-1, et seq., and West Virginia Code §24-2-1(a)).

6. It is reasonable to grant the certificate without hearing since the original application that was duly published on January 14, 2009,

substantially complied with the requirements of West Virginia Code §24-2-11, no protest was received in response to its publication and there are no outstanding unresolved issues among the parties.

ORDER

IT IS, THEREFORE, ORDERED that the duly verified application, as revised on April 7, 2009, by the Pleasants County Public Service District, the Pleasants County Commission and the Pleasants County Development Authority, for a certificate of public convenience and necessity to construct, operate and maintain a water distribution system to serve 200 customers residing in the Jefferson, Lafayette, McKim, Union, and Washington Magisterial Districts in Pleasants County, West Virginia, pursuant to West Virginia Code §24-2-11(a) at an estimated cost of $7,997,000, be, and hereby is, approved.

IT IS FURTHER ORDERED that the proposed funding for the project, consisting of an Infrastructure and Jobs Development Council loan in the amount of $3,000,000 at 0% interest for a period of 15 years; a $100,000 loan from the West Virginia Water Development Authority at 4% interest for a period of 15 years; a USDA-Rural Utilities Services loan in the amount of $365,000 at 4.5% interest for a period of 38 years; a grant from the Pleasants County Commission in the amount of $500,000; a Small Cities Block Grant in the amount of $1,500,000; and a USDA-Rural Utilities Services grant in the amount of $1,088,600; and a USEPA STAG grant in the amount of $1,443,400, be, and hereby is, approved.

IT IS FURTHER ORDERED that the Operation and Maintenance Agreement by and between the Pleasants County Public Service District, the Pleasants County Commission and the Pleasants County Development Authority, is approved contingent upon the revision of subparagraph V.F., to reflect that the PSD agrees to annually provide a separate annual report to the Public Service Commission and the Pleasants County Development Authority agrees to the PSD providing its information in the separate annual report.

IT IS FURTHER ORDERED that Subparagraph XI.B., will be stricken from the Operation and Maintenance Agreement. Executed copies of this document, including complete copies of the appendices referenced therein, shall be filed with the Commission within thirty days after the date that this decision becomes a final order of the Commission.

IT IS FURTHER ORDERED that the Agreement and Lease between the Pleasants County Commission and the Pleasants County Development Authority be, and hereby is, approved. Executed copies of these document, including complete copies of the exhibits and attachments referenced therein, shall be filed with the Commission within thirty days after the date that this decision becomes a final order of the Commission.

IT IS FURTHER ORDERED that the certificate approved herein is jointly granted to the Pleasants County Public Service District and the Pleasants County Development Authority. Therefore, the Pleasants County Development Authority will be required to file Annual Reports regarding its water utility operations.

IT IS FURTHER ORDERED that the Pleasants County Development Authority, as partial owner of the project approved herein, is a public utility under the auspices of West Virginia Code §24-2-1(a), subject to the Commission's jurisdiction.

IT IS FURTHER ORDERED that the rates and charges, attached hereto as Appendices A and B, be, and hereby are, approved for use by the Pleasants County Public Service District and the Pleasants County Development Authority for all service rendered upon substantial completion of the project certificated herein.

IT IS FURTHER ORDERED that, within thirty days of the date that the project certificated herein becomes operational, the Pleasants County Public Service District and the Pleasants County Development Authority, respectively, shall file an original and at least five copies of their tariffs approved herein with the Commission.

IT IS FURTHER ORDERED that the Pleasants County Public Service District and the Pleasants County Development Authority obtain additional Commission approval, prior to construction, if the plans or scope of the project changes.

IT IS FURTHER ORDERED that, if a change in the project cost does not change project rates, no additional Commission approval is necessary, provided that the Pleasants County Public Service District and the Pleasants County Development Authority file an affidavit executed by a certified public accountant verifying that the District's and the Authority's rates and charges will not be affected.

IT IS FURTHER ORDERED that the Pleasants County Public Service District and the Pleasants County Development Authority file with the Commission a copy of the engineer's certified bid tabulations for all contracts awarded for the project and submit a copy of the certificate of substantial completion issued for each construction contract associated with the project, as soon as they become available.

IT IS FURTHER ORDERED that, if the project certificated herein requires the use of any West Virginia Department of Highways' rights-of-way, the Pleasants County Public Service District and the Pleasants County Development Authority follow all applicable rules and regulations of the Department of Highways regarding those rights-of-way.

IT IS FURTHER ORDERED that, if either the Pleasants County Commission or the Pleasants County Development Authority decide to terminate the Agreement and Lease arrangement that has been approved herein, the parties must provide the Commission with at least thirty days advance notice of the pending termination.

IT IS FURTHER ORDERED that approval of the project herein is contingent upon the Joint Applicants filing with the Commission any outstanding state or federal governmental permits necessary for the construction of the project prior to commencing construction.

IT IS FURTHER ORDERED that the Commission's Executive Secretary is ordered to make the stylistic changes discussed herein so that the case designation will be Case No. 08-2110-PWD-W-PC-CN.

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

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

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

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

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

Meyishi Pearl Blair
Administrative Law Judge

MPB:s:bam
082110ae.wpd

PLEASANT COUNTY PUBLIC SERVICE DISTRICT
CASE NO. 08-2110-PWD-W-PC-CN

APPROVED TARIFF

APPLICABILITY
Applicable within the entire area served.

AVAILABILITY OF SERVICE
Available for general domestic, commercial and industrial water service.

RATES (customers with metered rates)
$11.50 per 1,000 gallons of water usage.

MINIMUM CHARGE
No bill will be rendered for less than the following amounts, according to the size of meter installed:

5/8-inch meter	$ 34.50 per month
3/4-inch meter	$ 51.75 per month
1 -inch meter	$ 86.25 per month
1-1/4-inch meter	$ 120.75 per month
1-1/2-inch meter	$ 172.50 per month
2 -inch meter	$ 276.00 per month
3 -inch meter	$ 517.50 per month
4 -inch meter	$ 862.50 per month
6 -inch meter	$1,725.00 per month
8 -inch meter	$2,760.00 per month
10 -inch meter	$4,416.00 per month

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

TAP FEE
The following charges are to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $350.00 will be charged to all customers who apply for service outside of a certificate proceeding before the Commission for each new tap to the system.

RECONNECTION CHARGE $25.00
To be charged whenever the supply of water is turned off for violations of rules, non-payment of bills or fraudulent use of water.

ADMINISTRATIVE FEE

In the event the District collects payment in full of a delinquent water bill at the customer's premises in lieu of a discontinuance of service for nonpayment, an administrative fee of $25.00 shall also be collected in addition to the delinquent water bill.

LEAK ADJUSTMENT

$4.01 per 1,000 gallons is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such unusual consumption above the customer's historical average usage.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the District or a maximum of $25.00 will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

PLEASANT COUNTY DEVELOPMENT AUTHORITY
CASE NO. 08-2110-PWD-W-PC-CN

APPROVED TARIFF

APPLICABILITY

Applicable within the entire area served except the Guard Hill area of Pleasants County served under an Operations and Maintenance Agreement with the Union Williams Public Service District.

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial water service.

RATES (customers with metered rates)

$11.50 per 1,000 gallons of water used.

MINIMUM CHARGE

No bill will be rendered for less than the following amounts, according to the size of meter installed:

5/8-inch meter	$ 34.50 per month
3/4-inch meter	$ 51.75 per month
1 -inch meter	$ 86.25 per month
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WEST VIRGINIA

Infrastructure & Jobs Development Council

PCC

Gov. Joe Manchin, III
Chairman

Kenneth Lowe, Jr.
Public Member

Dwight Calhoun
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Barbara J. Pauley
Administrative Secretary

November 13, 2008

F. Michael Nelson, President
Pleasants County Development Authority
309 2nd Street
St. Marys, WV 26170

Re: Pleasants County Development Authority
2008W-1062 Revised Binding Commitment
(Action Required by December 31, 2008)

Dear Mr. Nelson:

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) provides this revised binding offer of an Infrastructure Fund loan of approximately $3,000,000 (Loan) to the Pleasants County Development Authority (Development Authority) for the above referenced water project (Project). This commitment supersedes the commitment letter dated October 12, 2005, sent to Pleasants County Public Service District. The Loan will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan amounts will be established after the Development Authority has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Loan upon the Development Authority's compliance with the program requirements.

This commitment is contingent upon the Project meeting the following schedule:

a. Submit Plans and Specifications to the Bureau for Public Health no later than December 15, 2008;

b. File Certificate Case with the Public Service Commission no later than December 15, 2008;

c. Prepare and submit the Preliminary Title Opinion not later than December 15, 2008;

d. Advertise for bids no later than March 1, 2009. (The Development Authority must receive authority from the Infrastructure Council before bidding the project.)

The Infrastructure Council reserves the right to withdraw this Loan commitment if any of the above schedule dates are not met. The Infrastructure Council may, when justifiable circumstances occur, offer to modify the schedule. Any decision to modify the schedule is at the sole discretion of the Infrastructure Council.

If the Development Authority becomes aware that it will not meet one or more of the above schedule dates, the Development Authority should immediately notify the Infrastructure Council of this fact and the circumstances which have caused or will cause the Development Authority to be unable to meet the schedule. In addition, please immediately notify the Infrastructure Council if any of the other dates on the attached schedule have or will not be met.

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

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

If the Development Authority has any questions regarding this commitment, please contact the Council at the above-referenced telephone number.

Sincerely,

Kenneth Lowe, Jr.

Attachments

cc: Bob DeCrease, P.E., BPH (w/o enclosure) (via e-mail)
Samme Gee, Jackson Kelly (w/o enclosure) (via e-mail)
Ed Bartrug, Chairman, Pleasants County PSD (w/o enclosure)
Pleasants County Commission (w/o enclosure)
Alanna Slack, P.E., Burgess & Niple
Region V-Mid-Ohio Valley Regional Council

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

Pleasants County Development Authority

By: _____

Its: _____

Date: _____

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Pleasants County Development Authority
Water Project 2008W-1062
November 13, 2008

SCHEDULE A

A. Approximate Amount: $ 3,000,000 Loan

B. Loan: $ 3,000,000

1. Maturity Date: 15 years from date of closing.
2. Interest Rate: 0%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.
5. Special Conditions: None

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

C.	Other Funding:	WDA loan (4%, 15 yrs)	1,000,000
		Pleasants Co. Comm.	500,000
D.	Total Project Cost:		$ 4,500,000

Project Schedule

		Funding Source(s)	
Utility:	Pleasants Co. PSD	IJDC loan	$3,000,000
County:	Pleasants	WDA loan	$1,000,000
Project Number:	2008W-1062	Pleasants Co. Comm.	$500,000
		Total:	$4,500,000

Project Milestone	Responsible Party	Start	Complete
Engineering Agreement	Burgess & Niple		Complete
Prepare & Submit Plans & Specs to BPH/DEP	Burgess & Niple	underway	12/15/2008
Plans & Specs Review & Approval	BPH/RUS	12/15/2008	1/15/2009
Prepare & Submit Permit Applications	Burgess & Niple	11/15/2008	12/15/2008
Prepare Rule 42	Smith, Cochran & Hicks		Complete
File Certificate Case with PSC	Bowles & Rice	12/15/2008	12/15/2008
Review & Approve PSC Certificate (120, 180, or 270 Days)	PSC	12/15/2009	8/15/2009
Rights-of-way, Easements & Land Acquisitions	Bowles & Rice	underway	12/31/2008
Authority to Advertise for Bids	IJDC/WDA/RUS/EPA	3/1/2009	3/1/2009
Advertise	Burgess & Niple	5/1/2009	5/1/2009
Bid Opening	Burgess & Niple	6/1/2009	6/1/2009
Loan Closing	Bowles & Rice	9/1/2009	9/1/2009
Construction	Contractor	9/15/2009	9/15/2010

IC-1
(08/09)

LOAN AGREEMENT

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

PLEASANTS COUNTY DEVELOPMENT AUTHORITY
(2008W-1062)

(Governmental Agency)

W I T N E S S E T H:

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

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

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

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

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

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

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

ARTICLE I

Definitions

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE II

The Project and the System

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

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

specifications and designs prepared for the Governmental Agency by the Consulting Engineers.

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

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

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

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

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

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

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

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

2.12 The Governmental Agency, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a

Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

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

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

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

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

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

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

and the Council, to such effect, such certificate to be in form and substance satisfactory to the Authority and the Council, and evidence satisfactory to the Authority and the Council of such irrevocably committed grants.

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

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

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

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

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

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

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

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

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

(b) Covenants substantially as follows:

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

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

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

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable

from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

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

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

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

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

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

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

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

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion

from gross income for federal income tax purposes of interest on the State's general obligation bonds or any bonds secured by the Local Bonds;

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

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

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

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

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

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the "West Virginia Jobs Act") and shall

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

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

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

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

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

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

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

ARTICLE V

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

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

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

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

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

ARTICLE VI

Other Agreements of the Governmental Agency

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

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

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

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

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

ARTICLE VII

Miscellaneous

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

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

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

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

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

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

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

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine

Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

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

7.10 This Loan Agreement shall terminate upon the earlier of:

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

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

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

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

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

(SEAL)

Attest:

Its: Secretary

By: _____
Its: President
Date: June 11, 2010

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

Attest:

Carol A. Cummings
Its: Secretary-Treasurer

By: _____
Its: Executive Director
Date: June 11, 2010

{C1775537.1}

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

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

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

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

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

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

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

[SEAL]

_____

By: _____
West Virginia License No. _____

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

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

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

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

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

Ladies and Gentlemen:

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

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

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

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

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

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

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

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

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

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

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

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

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

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

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

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

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

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

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

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

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

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

EXHIBIT D

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

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

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $3,000,000
Purchase Price of Local Bonds $3,000,000

The Local Bonds shall bear no interest. Commencing December 1, 2012, principal on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

The Local Bonds are fully registered in the name of the Authority as to interest, if any, and principal and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Governmental Agency's system as provided in the Local Act. The Local Bonds shall also be secured by the Credit Line Deed of Trust of the Governmental Agency granting a first lien on the Facilities (as defined in the Local Act).

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

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

(1) Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 B, issued June 11, 2010, in the aggregate principal amount of $100,000.

Number of New Customers to Be Served: 200
Location: Route 2 North, Pleasant Ridge, Federal Ridge and Calcutta/Wiley areas.

SCHEDULE Y
DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

Pleasants County Development

IF

0% Interest Rate

15 Years

Dated Date	6/11/10	
Delivery Date	6/11/10	

Period Ending	Principal	Interest	Debt Service
6/11/10			
12/1/12	50,000		50,000
3/1/13	50,000		50,000
6/1/13	50,000		50,000
9/1/13	50,000		50,000
12/1/13	50,000		50,000
3/1/14	50,000		50,000
6/1/14	50,000		50,000
9/1/14	50,000		50,000
12/1/14	50,000		50,000
3/1/15	50,000		50,000
6/1/15	50,000		50,000
9/1/15	50,000		50,000
12/1/15	50,000		50,000
3/1/16	50,000		50,000
6/1/16	50,000		50,000
9/1/16	50,000		50,000
12/1/16	50,000		50,000
3/1/17	50,000		50,000
6/1/17	50,000		50,000
9/1/17	50,000		50,000
12/1/17	50,000		50,000
3/1/18	50,000		50,000
6/1/18	50,000		50,000
9/1/18	50,000		50,000
12/1/18	50,000		50,000
3/1/19	50,000		50,000
6/1/19	50,000		50,000
9/1/19	50,000		50,000
12/1/19	50,000		50,000
3/1/20	50,000		50,000
6/1/20	50,000		50,000
9/1/20	50,000		50,000
12/1/20	50,000		50,000
3/1/21	50,000		50,000
6/1/21	50,000		50,000
9/1/21	50,000		50,000
12/1/21	50,000		50,000
3/1/22	50,000		50,000
6/1/22	50,000		50,000
9/1/22	50,000		50,000
12/1/22	50,000		50,000
3/1/23	50,000		50,000
6/1/23	50,000		50,000

BOND DEBT SERVICE

Pleasants County Development

IF

0% Interest Rate

15 Years

Period Ending	Principal	Interest	Debt Service
9/1/23	50,000		50,000
12/1/23	50,000		50,000
3/1/24	50,000		50,000
6/1/24	50,000		50,000
9/1/24	50,000		50,000
12/1/24	50,000		50,000
3/1/25	50,000		50,000
6/1/25	50,000		50,000
9/1/25	50,000		50,000
12/1/25	50,000		50,000
3/1/26	50,000		50,000
6/1/26	50,000		50,000
9/1/26	50,000		50,000
12/1/26	50,000		50,000
3/1/27	50,000		50,000
6/1/27	50,000		50,000
9/1/27	50,000		50,000
	3,000,000		**3,000,000**

SCHEDULE Z

SPECIAL CONDITIONS

A. That the lease payments to be made by the County Commission of Pleasants County (the "County Commission") to the Governmental Agency under the certain Agreements and Leases of the Facilities (the "Lease") dated June 11, 2010, by and between the County Commission and the Governmental Agency will be sufficient to pay 100% of the maximum amount required in any year for debt service and all reserve account payments, if any, on the Local Bonds so long as the Lease is in effect.

B. If the Lease is no longer in effect than the Governmental Agency shall be required to comply with the covenant set forth in 4.1(b)(ii) of this Agreement.

C. So long as the Lease is in effect the Governmental Agency may issue additional parity bonds upon obtaining the consent of the Authority. If the Lease is no longer in effect, the Governmental Agency shall be required to comply with the covenant set forth in 4.1(b)(v) of this Agreement prior to issuing additional parity bonds.

D. As long as the O & M Agreement is in effect, the Governmental Agency shall not be required to make the renewal and replacement payments set forth in Section 4.1(a)(iii) of this Agreement and Pleasants County PSD is funding its Depreciation Account.

E. If the O & M Agreement is no longer in effect than the Governmental Agency shall be required to make the payments required in Section 4.1(a)(iii) of this Agreement.

WDA-LP IV
(12/09)

LOAN AGREEMENT

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

PLEASANTS COUNTY DEVELOPMENT AUTHORITY (2008W-1062)
(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 22C, Article 1 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 be financed, 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 acquire, construct, improve, operate and maintain a water development project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a 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; and

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 certain general revenue bond resolution adopted by the Board of the Authority (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, known as Loan Program IV (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 bonds," "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 professional engineer, licensed by the State, designated in the Application and any qualified 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 or being or having been constructed by the Governmental Agency in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.9 "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, being or having been 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 Act.

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

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

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 and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority with respect to the System pursuant to the pertinent provisions of the Act.

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

2.6 The Governmental Agency agrees that it will permit the Authority and its agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation

thereof or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority and shall verify or shall have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds is outstanding, business interruption insurance if available at a reasonable cost.

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

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards.

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

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

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

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

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

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 delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

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

(d) No Loan shall be made for the purpose of refinancing any outstanding long-term indebtedness of a Governmental Agency unless an opinion of counsel is received by the Authority to the effect that such refinancing is permitted by the Act and the General Resolution, and that such refinancing will not cause a violation of any covenant, representation or agreement of the Authority contained in the General Resolution or any tax or arbitrage certificate with respect to the exclusion of the interest on the Authority's water development revenue bonds from gross income of the holders thereof for federal income tax purposes;

(e) 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;

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

(g) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, 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;

(h) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority 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;

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

(j) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority 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 ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority and the Governmental Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority or such later date as is agreed to in writing by the 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 from the Program 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 purchase the Local Bonds unless and until it has available funds sufficient to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available. The Governmental Agency further specifically recognizes that during the last 90 days of a period to originate Loans from its water development revenue bond proceeds, the Authority may execute Loan Agreements, commit moneys and close Local Bond sales in such order and manner as it deems in the best interest of the Program. Additionally, the Governmental Agency recognizes that the Authority will purchase the Local Bonds only with funds from the Program and not with funds from any other loan programs of the Authority.

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document, as reflected on the Schedule X attached hereto, and beginning seven (7) months prior to the first date of payment of interest on the Local Bonds 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, beginning thirteen (13) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety or other security instrument) in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than ten (10) years) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

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

(b) Covenants substantially as follows:

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

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

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

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

contained in such covenants; provided that, any sale or disposition of the properties of the System in excess of $100,000 shall require the written consent of the Authority;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority; provided that, the Authority shall have received a bond counsel parity opinion and an accountant certificate stating that the coverage and parity requirements have been met and the parity bonds must have a reserve account requirement of at least 1 year's debt service, to be funded at closing or over 10 years;

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or

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

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

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

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

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may advance refund its Local Bonds during the first 15 years at a premium of 1% over the premium, if any, to be paid by the Authority by depositing sufficient funds (principal, interest and premium, if any,) at the Commission (as hereinafter defined) to redeem such Local Bonds on the first available call date; provided that, after the first 15 years, the Governmental Agency may prepay its Local Bonds at par, plus interest payable to the next available call date, at any time.

(xvi) That, to the full extent permitted by applicable law and the rules and regulations of the PSC, the Governmental Agency shall terminate the services of any water facility owned by it to any customer of the System who is

delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Governmental Agency, then the Governmental Agency shall enter into a termination agreement with the water provider;

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

(xviii) That the Governmental Agency shall annually provide the Authority with bank statements and all investment information for the funds and accounts related to the proceeds of the Local Bonds;

(xix) That the Governmental Agency shall annually provide the Authority with financial information and such other information as is necessary for the Authority to meet its ongoing disclosure requirements;

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

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

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

(xxiii) That the Governmental Agency shall obtain the written approval of the Authority before expending any proceeds of the Local Bonds available

due to bid/construction/project underruns, including the "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineers;

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

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

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

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

4.3 The principal payments of the Loan shall be made by the Commission annually on the days and in the years provided in Schedule X hereto. The

interest payments on the Loan shall be made by the Commission semiannually 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 Authority shall provide both the Governmental Agency and the trustee for the water development revenue bonds with a schedule of such fees and charges, and the Governmental Agency shall pay such fees and charges on the dates indicated directly to the trustee. The Governmental Agency hereby specifically authorizes the Authority to exercise the powers granted it by Section 9.06 of the General Resolution.

4.7 Unless otherwise agreed by the Authority, the Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the Authority's bonds.

4.8 As long as the Authority is the owner of any of the Local Bonds outstanding, the Governmental Agency may redeem its Local Bonds in accordance with the conditions set forth in Section 4.1 (b)(xv). The Authority hereby agrees that it will not refund the water development revenue bonds which provided the funds for the Local Bonds without the prior written consent of each of the affected Governmental Agencies.

ARTICLE V

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

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

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

5.3 In the event the Governmental Agency defaults in any payment to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, plus 2%, from the date of the default until the date of the payment thereof. The defaulted interest shall be paid from the first deposits made by the Governmental Agency to the Commission.

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 7 of the Act, including, without limitation, the right to impose, enforce and collect charges 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 the Governmental Agency in the terms and covenants of this Loan Agreement, 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 the Act or 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 take all actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Authority's water development revenue bonds.

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

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

ARTICLE VII

Miscellaneous

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

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

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 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 or such later date as is agreed to in writing 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.

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: President
Date: June 11, 2010

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: June 11, 2010

Attest:

_____
Its: Secretary-Treasurer

{C1775590.1}

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEERS

(Issuer)

(Name of Bonds)

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

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

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

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

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

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

[SEAL]

_____

By: _____
West Virginia License No. _____

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

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

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

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

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, ____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, ____ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with interest payable semiannually on April 1 and October 1 of each year, commencing _____1, ____, at the rate of __% per annum, and with principal payable annually on October 1 of each year, commencing _____ 1, ____, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

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

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

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

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

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

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

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

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

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

6. Under the Local Statute, the Local Bonds and the interest thereon are exempt _____.

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

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

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

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

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

_____
Name of Person Completing Form

_____
Address

_____
Telephone

{C1775590.1}

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

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

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

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

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

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

EXHIBIT D

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	$____
Principal	$____
Total:	$____
Reserve Account:	$____

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

{C1775590.1}

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $100,000
Purchase Price of Local Bonds $100,000

Interest on the Local Bonds is payable on April 1 and October 1 in each year, beginning with the first semiannual interest payment date after delivery of the Local Bonds to the Authority, until the Local Bonds are paid in full, at the rate of 4% per annum. Principal of the Local Bonds is payable on October 1 in each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

The Local Bonds are fully registered in the name of the Authority as to interest, if any, and principal and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Governmental Agency's system as provided in the Local Act. The Local Bonds shall also be secured by the Credit Line Deed of Trust of the Governmental Agency granting a first lien on the Facilities (as defined in the Local Act).

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

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

(i) Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A issued on June 11, 2010, in the aggregate principal amount of $3,000,000.

Number of New Customers To Be Served: 200
Location: Route 2 North, Pleasant Ridge, Federal Ridge and Calcutta/Wiley areas.

SCHEDULE Y
DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

Pleasants County Development Authority

WDA

4% Interest Rate

Dated Date	6/11/10
Delivery Date	6/11/10

Period Ending	Principal	Coupon	Interest	Debt Service
6/11/10				
10/1/10			1,222.22	1,222.22
4/1/11			2,000.00	2,000.00
10/1/11			2,000.00	2,000.00
4/1/12			2,000.00	2,000.00
10/1/12			2,000.00	2,000.00
4/1/13			2,000.00	2,000.00
10/1/13	4,994	4.000%	2,000.00	6,994.00
4/1/14			1,900.12	1,900.12
10/1/14	5,194	4.000%	1,900.12	7,094.12
4/1/15			1,796.24	1,796.24
10/1/15	5,402	4.000%	1,796.24	7,198.24
4/1/16			1,688.20	1,688.20
10/1/16	5,618	4.000%	1,688.20	7,306.20
4/1/17			1,575.84	1,575.84
10/1/17	5,842	4.000%	1,575.84	7,417.84
4/1/18			1,459.00	1,459.00
10/1/18	6,076	4.000%	1,459.00	7,535.00
4/1/19			1,337.48	1,337.48
10/1/19	6,319	4.000%	1,337.48	7,656.48
4/1/20			1,211.10	1,211.10
10/1/20	6,572	4.000%	1,211.10	7,783.10
4/1/21			1,079.66	1,079.66
10/1/21	6,835	4.000%	1,079.66	7,914.66
4/1/22			942.96	942.96
10/1/22	7,108	4.000%	942.96	8,050.96
4/1/23			800.80	800.80
10/1/23	7,392	4.000%	800.80	8,192.80
4/1/24			652.96	652.96
10/1/24	7,688	4.000%	652.96	8,340.96
4/1/25			499.20	499.20
10/1/25	7,996	4.000%	499.20	8,495.20
4/1/26			339.28	339.28
10/1/26	8,316	4.000%	339.28	8,655.28
4/1/27			172.96	172.96
10/1/27	8,648	4.000%	172.96	8,820.96
	100,000		**44,133.82**	**144,133.82**

SCHEDULE Z

SPECIAL CONDITIONS

A. That the lease payments to be made by the County Commission of Pleasants County (the "County Commission") to the Governmental Agency under the certain Agreements and Leases of the Facilities (the "Lease") dated June 11, 2010, by and between the County Commission and the Governmental Agency will be sufficient to pay 100% of the maximum amount required in any year for debt service and all reserve account payments, if any, on the Local Bonds so long as the Lease is in effect.

B. If the Lease is no longer in effect than the Governmental Agency shall be required to comply with the covenant set forth in 4.1(b)(ii) of this Agreement.

C. So long as the Lease is in effect the Governmental Agency may issue additional parity bonds upon obtaining the consent of the Authority. If the Lease is no longer in effect, the Governmental Agency shall be required to comply with the covenant set forth in 4.1(b)(v) of this Agreement prior to issuing additional parity bonds.

D. As long as the O & M Agreement is in effect, the Governmental Agency shall not be required to make the renewal and replacement payments set forth in Section 4.1(a)(iii) of this Agreement and Pleasants County PSD is funding its Depreciation Account.

E. If the O & M Agreement is no longer in effect than the Governmental Agency shall be required to make the payments required in Section 4.1(a)(iii) of this Agreement.

PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B/C
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

BOND ORDINANCE

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THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC WATERWORKS FACILITIES OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE AUTHORITY OF NOT MORE THAN $3,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B AND SERIES 2010 C (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY:

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 7, Article 12, Chapter 8,

Article 16, Chapter 31, Article 15A and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The Pleasants County Development Authority (the "Issuer") is a public agency with perpetual existence and a county development authority within the meaning of the Act of the State of West Virginia in Pleasants County of said State.

B. The Issuer has, at the request of the County Commission agreed to acquire, construct and equip certain waterworks facilities to be located in Pleasants County (collectively, the "Project" and together with all further additions, improvements and additional facilities of every kind and nature, now or hereafter acquired or constructed, herein called the "Facilities), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Secretary of the Issuer. The Facilities shall be leased to The County Commission of Pleasants County (the "County Commission") pursuant to Agreement and Leases to be dated the date of each closing.

C. The Issuer and the County Commission have determined that a portion of the Facilities should be operated, maintained, repaired and replaced by Pleasants County Public Service District (the "PCPSD"), pursuant to the terms of an agreement by and among the Issuer, the County Commission and the PCPSD (the "Phase I O & M Agreement") (the portion of the Project that will ultimately be operated by PCPSD shall be referred to herein as the "Phase I Project").

D. The Issuer and the County Commission have determined that a portion of the Facilities should be operated, maintained, repaired and replaced by Union-Williams Public Service District (the "UWPSD"), pursuant to the terms of an agreement by and among the Issuer, the County Commission and the UWPSD (the "Phase II O & M Agreement") (the portion of the Project that will ultimately be operated by UWPSD shall be referred to herein as the "Phase II Project") (the PCPSD and the UWPSD shall be collectively referred to as the "PSDs").

E. The County Commission and the PSDs have provided the Issuer with plans and specifications for the acquisition, construction and equipping of the Facilities, which plans and specifications have been prepared by the Consulting Engineer. The Issuer and the County Commission have agreed to appoint the PSDs as their agents for the purpose of acquisition, construction and equipping of the Project.

F. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Infrastructure Fund administered by the Authority, pursuant to the Act and its revenue bonds to the West Virginia Water Development Authority, pursuant to the Act.

G. It is deemed necessary for the Issuer to issue its Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) (the "Series 2010 A Bonds"), in the total aggregate principal amount of not more than $3,500,000, initially to be represented by a single bond and its Waterworks Lease Revenue Bonds, Series 2010 B/C (West Virginia Water Development Authority), in the total aggregate principal amount of not more than $3,500,000, in one or more series (the "Series 2010 B/C Bonds" and together with the Series 2010 A Bonds, the "Series 2010 Bonds"), to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, on the Series 2010 Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2010 Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2010 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition and construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2010 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

H. The period of usefulness of the Facilities after completion of the Project is not less than 40 years.

I. It is in the best interests of the Issuer that its Series 2010 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the respective parties (the "Series 2010 A Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

J. It is in the best interests of the Issuer that its Series 2010 B/C Bonds be sold to the Authority pursuant to the terms and provisions of one or more loan agreement by and between the Issuer and the Authority, in form satisfactory to the respective parties (the "Series 2010 B/C Loan Agreement" and collectively, with the Series 2010 A Loan Agreement, the "Loan Agreements"), approved hereby if not previously approved by resolution of the Issuer.

K. There are currently no outstanding obligations of the Issuer which will rank on a parity with the Series 2010 Bonds as to liens, pledge, source of and security for payment.

L. The Series 2010 Bonds shall be payable solely from the Revenues received by the Issuer as defined herein and secured by a lien on the Facilities subject to the terms of the Phase I and Phase II O & M Agreements.

M. The Issuer has complied with all requirements of West Virginia law and the Loan Agreements relating to authorization of the acquisition, construction and operation of the Project and the Facilities and issuance of the Series 2010 Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity from the Public Service Commission of West Virginia (the "PSC") by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2010 Bonds.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of Series 2010 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 Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2010 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, 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 7, Article 12, Chapter 8, Article 16, Chapter 31, Article 15A and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended and in effect on the date of enactment hereof.

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

"Authorized Officer" means the President of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

"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, collectively, the Series 2010 Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

"Closing Date" means the date or dates upon which there is an exchange of the Series 2010 Bonds for all or a portion of the proceeds of the Series 2010 Bonds from the Authority.

"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.

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

"Consulting Engineers" means Burgess & Niple Inc., Parkersburg, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the Facilities or portion thereof, in accordance with Chapter 5G, Article 1 of the Code of West Virginia, 1931, as amended.

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

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

"County Commission" means The County Commission of Pleasants County, Pleasants County, West Virginia, a political subdivision of the State of West Virginia.

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

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

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

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

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

"Gross Revenues" means the lease payments pursuant to the Lease Agreements and other operating revenues of the Issuer, as hereinafter defined, determined in accordance with generally accepted accounting principles.

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

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

"Issuer" means the Pleasants County Development Authority, a public corporation with perpetual existence and a County Development Authority within the meaning of the Act, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Lease Agreements" shall mean the Agreement and Leases as described in Section 1.02(B) of this Ordinance.

"Loan Agreements" means the Series 2010 A Loan Agreement and the Series 2010 B/C Loan Agreement.

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

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

"O & M Agreements" means the Phase I O & M Agreement and the Phase II O & M Agreement.

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

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond canceled by the Bond Registrar, at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have

been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Registered Owners of any Bonds registered to the Issuer.

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

"Paying Agent" means the Commission or such other entity or authority as may be designed by a Paying Agent by the Issuer in the Supplemental Resolution.

"PCPSD" means Pleasants County Public Service District.

"Phase I O & M Agreement" means the O & M Agreement described in Section 1.02C hereof.

"Phase I Project" means the portion of the Project that will be operated by PCPSD.

"Phase II O & M Agreement" means the O & M Agreement described in Section 1.02D hereof.

"Phase II Project" means the portion of the Project that will be operated by UWPSD.

"President" means such person so designated to act in such capacity by the Board of the Issuer.

"Project" means the Project as described in Section 1.02B hereof and Exhibit A hereto.

"PSDs" means the PCPSD and the UWPSD.

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

(a) Authority Obligations;

(b) Authority Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Authority Obligations, and receipts or certificates evidencing payments from Authority Obligations or interest coupons stripped from Authority 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; Authority 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 Authority 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 Authority Obligations, provided, that said Authority 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 Authority 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 owner of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

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

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is exempt from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner," "Bondholder", "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.

"Registrar" means the Bond Registrar.

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

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

"Revenues" means all Rent received by or on behalf of the Issuer from the Lease, as such term is defined in the Lease, and if the Lease is terminated, all receipts, revenues, income and other monies from the subsequent leasing, subleasing, operation, management, sale or other disposition of the Facilities, and all Surcharges, or any part thereof, and all rights to receive the same, determined in accordance with generally accepted accounting principles.

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

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

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

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

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

"Series 2010 B/C Bonds" means the Waterworks Lease Revenue Bonds, Series 2010 B/C (West Virginia Water Development Authority), of the Issuer, in one or more series authorized by this Ordinance.

"Series 2010 B/C Bonds Reserve Account" means the Reserve Accounts established in Section 5.02 hereof or later supplemented by a Supplemental Resolution for the Series 2010 B/C Bonds.

"Series 2010 B/C Bonds Sinking Fund" means the Series 2010 B/C Bonds Sinking Fund created by Section 5.02 hereof.

"Series 2010 B/C Loan Agreement" means the loan agreement to be entered into between the Issuer and the Authority, providing for the purchase of the Series 2010 B/C Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Series 2010 Bonds" means, collectively, the Series 2010 A Bonds and the Series 2010 B/C Bonds.

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

"Series 2010 Bonds Reserve Accounts" means the Series 2010 A Bonds Reserve Account and the Series 2010 B/C Bonds Reserve Account.

"Sinking Funds" means, collectively, the respective Sinking Funds created for the Series 2010 Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2010 Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2010 Bonds, and not so included may be included in another Supplemental Resolution.

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $5,500,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body and approved by the Authority and the Issuer. The proceeds of the Series 2010 Bonds shall be applied as provided in Article VI hereof. Prior to the issuance of each series of Series 2010 Bonds, the Issuer shall receive bids and enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the Council.

The cost of the Phase I Project is estimated not to exceed $4,300,000, of which approximately $500,000 will be obtained from proceeds of a grant from the County Commission and an amount not to exceed $3,500,000 will be obtained from proceeds for the Series 2010 A Bonds and an amount not to exceed $300,000 will be obtained from the proceeds of the Series 2010 B/C Bonds. The cost of the Phase II project is estimated not to exceed $1,200,000 which will be obtained from the proceeds of the Series 2010 B/C Bonds.

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 capitalizing interest on the Series 2010 Bonds, fully funding the reasonable reserve accounts and paying a portion of the costs of the Project and paying the costs of issuance of the Series 2010 Bonds and related costs, there shall be and hereby are authorized to be issued negotiable Series 2010 Bonds of the Issuer. The Series 2010 Bonds shall be issued in two or more series, each as a single bond, designated respectively as "Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)," in the aggregate principal amount not to exceed $3,500,000, the "Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority)," and if necessary the "Waterworks Lease Revenue Bonds, Series 2010 C (West Virginia Water Development Authority)" in the aggregate principal amount not to exceed $1,500,000, and shall have such terms and be in such amounts as are set forth hereinafter or in the Supplemental Resolution.

Section 3.02. Terms of Bonds. The Series 2010 Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the legal maximum rate, 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 the Supplemental Resolution or as specifically provided in the Loan Agreement. The Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the 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 Series 2010 Bonds shall be issued in the form of two or more bonds, each as a single series, registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of the Series 2010 Bonds, all as provided in the Supplemental Resolution. The Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in the aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2010 Bonds shall be executed in the name of the Issuer by the President, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2010 Bonds shall cease to be such officer of the Issuer before the Series 2010 Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2010 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of the authorization of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2010 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2010 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 Registered Owner, in accepting the Series 2010 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 Registered Owner shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide registered owner for value.

So long as the Series 2010 Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2010 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 canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2010 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate, register 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 Registered Owner's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2010 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 of the Issuer as herein provided. No Registered Owner of the Series 2010 Bonds shall ever have the right to compel the exercise of the taxing power, if any, of the Issuer to pay the Series 2010 Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2010 Bonds shall be secured by a first lien on the Net Revenues of the Issuer. Such Net Revenues are hereby irrevocably pledged to such payments as the same become due.

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

A. If other than the Authority, a list of the names in which such Series 2010 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver such Series 2010 Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreements;

E. Executed copies of the Lease Agreements;

F. Executed copies of the O & M Agreements; and

G. The unqualified approving opinion of bond counsel on such Series 2010 Bonds.

Section 3.10. Form of Bonds. The text of the Series 2010 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[FORM OF SERIES 2010 A BOND]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $_____

FOR VALUE RECEIVED, on this ____ day of _____, 2010, the PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public corporation with perpetual existence (the "Issuer") created by The County Commission of Pleasants County, West Virginia (the "County Commission"), promises to pay solely from the funds provided therefore, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, the sum of _____ DOLLARS ($_____), in installments on _____ 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 on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefore, and until payment of such installment, such interest shall be payable on March 1, June 1, September 1 and December 1 in each year, beginning _____ 1, 20__. 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 _____, _____, 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 the Council, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council, dated _____, 20___.

This Bond is issued (i) to capitalize interests on the Series 2010 A Bonds; (ii) to fully fund the Series 2010 A Bonds Reserve Account; (iii) to pay a portion of the costs of acquisition and construction of certain waterworks facilities (the "Project"); and (iv) to pay certain costs of issuance of this Bond and related costs. The Project and any further additions, betterments improvements and extensions thereto are herein called the "Facilities." 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 7, Article 12, Chapter 8, Article 16 and Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2010, and a Supplemental Resolution duly adopted by the Issuer on _____, 2010 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for this Bond under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B, ISSUED SIMULTANEOUSLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $_____.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) of the Issuer and is payable on a parity with the pledge of Net Revenues in favor of the holders of the Series 2010 B Bonds, and from unexpended proceeds of this Bond. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Net Revenues and unexpended proceeds of this Bond. Issuer has entered into certain covenants with the Registered Owner of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owner of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements in the Bond Legislation, 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 or legal representative duly authorized in writing, upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney or legal representative duly authorized in writing.

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of acquisition and construction of the Project and the costs of issuance hereof as 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 owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that Net Revenues of the Issuer have been pledged to and will be used 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 PLEASANTS COUNTY DEVELOPMENT AUTHORITY has caused this Bond to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

_____
President

[SEAL]

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2010.

_____
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

ASSIGNMENT

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

Dated: _____, __.

_____

In the presence of:

_____

[FORM OF SERIES 2010 B/C BOND]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATER PROJECT BONDS, SERIES 2010 B/C
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. BR-1/CR-1 $_____

FOR VALUE RECEIVED, on this ____ day of _____, 2010, the PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public corporation with perpetual existence (the "Issuer") created by The County Commission of Pleasants County, West Virginia (the "County Commission"), promises to pay solely from the funds provided therefore, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, the sum of _____ DOLLARS ($_____), in installments on _____ 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 on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefore, and until payment of such installment, such interest shall be payable on April 1 and October 1 in each year, beginning _____ 1, 20__. 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 _____, _____, 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 the Council, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, dated _____, 20___.

This Bond is issued (i) to capitalize interest on the Series 2010 B/C Bonds; (ii) to fully fund the Series 2010 B/C Bonds Reserve Account; (iii) to pay a portion of the costs of acquisition and construction of certain waterworks facilities (the "Project"); and (iv) to pay certain costs of issuance of this Bond and related costs. The Project and any further additions, betterments improvements and extensions thereto are herein called the "Facilities." 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 7, Article 12, Chapter 8, Article 16 and Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2010, and a Supplemental Resolution duly adopted by the Issuer on _____, 2010 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for this Bond under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A ISSUED ON _____, 2010, PURSUANT TO THE BOND LEGISLATION ISSUED ON _____, 2010, IN THE AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2010 BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) of the Issuer and is payable on a parity with the pledge of Net Revenues in favor of the holders of the Series 2010 A Bonds, and from unexpended proceeds of this Bond. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Net Revenues and unexpended proceeds of this Bond. Issuer has entered into certain covenants with the Registered Owner of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owner of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements in the Bond Legislation, 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 or legal representative duly authorized in writing, upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney or legal representative duly authorized in writing.

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of acquisition and construction of the Project and the costs of issuance hereof as 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 owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that Net Revenues of the Issuer have been pledged to and will be used 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 PLEASANTS COUNTY DEVELOPMENT AUTHORITY has caused this Bond to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

_____
President

[SEAL]

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2010.

_____
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

ASSIGNMENT

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

Dated: _____, ___.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2010 Bonds shall be sold to the Authority pursuant to the terms and conditions of the Loan Agreements. If not so authorized by previous ordinance or resolution, the President is specifically authorized and directed to execute the Loan Agreements in the form attached hereto as "Exhibit B" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreements to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule A" Filing. Upon completion of acquisition and construction of the Project, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and the sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

(1) Revenue Fund;

(2) Renewal and Replacement Fund; and

(3) Series 2010 Bonds Construction Trust Fund.

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

(1) Series 2010 A Bonds Sinking Fund;

(2) Series 2010 B/C Bonds Sinking Fund;

(3) Series 2010 A Bonds Reserve Account; and

(4) Series 2010 B/C Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The Net Revenues of the Issuer shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, from the moneys in the Revenue Fund, commencing 6 months prior to the first date of payment of interest of the Series 2010 B Bonds, remit to the Commission for deposit in the Series 2010 B/C Bonds Sinking Fund, an amount equal to 1/6th of the amount of interest which will mature and become due on the Series 2010 B/C Bonds on the next ensuing semi-annual interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 B/C Bonds Sinking Fund and the next semi-annual interest payment date is less than 6 months, then such monthly payment shall be increased proportionately to provide, 1 month prior to the next semi-annual interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, from the moneys in the Revenue Fund, (i) commencing 3 months prior to the first date of payment of principal of the Series 2010 A Bonds, remit to the Commission for deposit in the Series 2010 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2010 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payment shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date; and (ii) commencing 6 months prior to the first date of payment of principal of the Series 2010 B/C Bonds, remit to the Commission for deposit in the Series 2010 B/C Bonds Sinking Fund, an amount equal to 1/12th of the amount of principal which will mature and become due on the Series 2010 B/C Bonds on the next ensuing annual principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 B/C Bonds Sinking Fund and the next annual principal payment date is less than 12 months, then such monthly payment shall be increased proportionately to provide, 1 month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, from the moneys in the Revenue Fund, (i) commencing 3 months prior to the first date of payment of principal of the Series 2010 A Bonds, if not fully funded upon issuance of the Series 2010 A Bonds, remit to the Commission for deposit in the Series 2010 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2010 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2010 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount

equal to the Series 2010 A Bonds Reserve Requirement; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2010 B/C Bonds, if not fully funded upon issuance of the Series 2010 B/C Bonds, remit to the Commission for deposit in the Series 2010 B/C Bonds Reserve Account, an amount equal to 1/120th of the Series 2010 B/C Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2010 B/C Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2010 B/C Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, from the moneys in the Revenue Fund, remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount equal to 2 1/2% of the Gross Revenues each month (as previously set forth in the Prior Resolutions and not in addition thereto), exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the Facilities; provided that, any deficiencies in any Reserve Account, except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof, shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

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

All investment earnings on moneys in the Series 2010 A Bonds Sinking Fund, Series 2010 A Bonds Reserve Account, the Series 2010 B/C Bonds Sinking Fund and the Series 2010 B/C Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2010 Bonds Construction Trust Fund and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due, if any, on the Series 2010 Bonds and then to the next ensuing principal payment due thereon.

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

The Issuer shall not be required to make any further payments into the Series 2010 A Bonds Sinking Fund or the Series 2010 B/C Bonds Sinking Fund when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2010 A Bonds or the Series 2010 B/C Bonds, respectively, then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2010 A Bonds Sinking Fund and the Series 2010 B/C Bonds Sinking Fund created hereunder, and all amounts required for such accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. The Issuer shall make the necessary arrangements whereby required payments into the Series 2010 A Bonds Sinking Fund and the Series 2010 B/C Bonds Sinking Fund shall be automatically debited from the Revenue Fund and electronically transferred to the Authority and the Commission on the dates required hereunder.

Moneys in the Series 2010 A Bonds Sinking Fund and the Series 2010 B/C Bonds Sinking Fund shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

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

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal and interest payments with respect to the Series 2010 Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. If required by the Authority in writing at any

time, the Issuer shall make the necessary arrangements whereby such payment shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

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

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

E. The moneys in excess of the maximum amounts insured by FDIC in any of the funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

ARTICLE VI

APPLICATION OF BOND PROCEEDS

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 Series 2010 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2010 Bonds or from other funds available to the Issuer, there shall first be deposited with the Commission in the Series 2010 A Bonds Sinking Fund or Series 2010 B/C Bonds Sinking Fund, as applicable, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2010 A Bonds or Series 2010 B/C Bonds, as applicable, for the period commencing on the date of issuance of the Series 2010 A Bonds or Series 2010 B/C Bonds, as applicable, and ending 6 months after the estimated date of completion of construction of the Project.

B. An amount of the proceeds of the Series 2010 Bonds equal to the amount, if any, set forth in the Supplemental Resolution shall be remitted to the Bond Commission for deposit in the Respective Reserve Accounts.

C. The remaining moneys derived from the sale of the Series 2010 Bonds shall be deposited with the Depository Bank in the Series 2010 Bonds Construction Trust Fund and applied solely to the payment of costs of the Project in the manner set forth in Section 6.02 hereof.

D. The Depository Bank shall act as trustee and fiduciary for the Registered Owner with respect to the Series 2010 Bonds Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Series 2010 Bonds Construction Trust Fund set forth in the Bond Legislation. Moneys in the Series 2010 Bonds Construction Trust Fund shall be used solely to pay costs of the Project and until so transferred or expended, are hereby pledged as additional security for the Series 2010 A Bonds and the Series 2010 B/C Bonds, respectively.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for costs of the Project shall be made monthly. Except as provided in Section 6.01 hereof, disbursements from the Series 2010 Bonds Construction Trust Fund (except for the costs of issuance of the Series 2010 Bonds which shall be made upon request of the Issuer), shall be made only after submission to the Council of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

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

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

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Series 2010 Bonds Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Series 2010 Bonds 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 Series 2010 Bonds 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 Series 2010 Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

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

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Registered Owner of the Series 2010 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Registered Owner of the Series 2010 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2010 Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2010 Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Registered Owner of the Series 2010 Bonds shall ever have the right to compel the exercise of the taxing power, if any, of the Issuer to pay the Series 2010 Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2010 Bonds shall be secured by a first lien on the Net Revenues of the Issuer. Such Net Revenues are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Sale of the Facilities. So long as the Series 2010 Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the Facilities may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay or redeem at or prior to maturity 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 Facilities shall, with respect to the Series 2010 Bonds, immediately be remitted to the Commission for deposit in the respective Sinking Fund, and the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2010 Bonds. Any balance remaining after the payment of the Series 2010 Bonds and

interest thereon, if any, 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 Facilities.

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 Facilities 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 Facilities 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, in writing, determine upon consultation with the Consulting Engineer that such property comprising a part of the Facilities 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, upon receipt of approval of the Registered Owners, if needed, be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Ordinance. No sale, lease or other disposition of the properties of the Facilities 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 or redeem prior to maturity all Bonds then Outstanding without the prior approval and consent in writing of the Registered Owners of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Registered Owners of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the Facilities.

Section 7.05. Operation of the Facilities. Upon completion of the Project, the Facilities will be operated by the PSDs pursuant to the applicable Operation and Maintenance Agreements.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever payable from the Net Revenues which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2010 Bonds, without the prior written consent of the Authority. All obligations issued by the Issuer after the issuance of the Series 2010 Bonds and payable from Net Revenues, except additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2010 Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2010 Bonds, and the interest thereon, upon the Net Revenues, or upon the Facilities or any part thereof.

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

Notwithstanding the foregoing, or any provision of Section 7.06 hereof to the contrary, additional Parity 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 7.06, if there is first obtained by the Issuer the written consent of the Authority to the issuance of the Parity Bonds.

Section 7.07. Reserved.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring,

constructing and installing the Project. The Issuer shall permit the Authority, or their agents and representatives, to inspect all books, documents, papers and records relating to the Facilities at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the Facilities and the administration of the loan or any grants or other sources of financing for the Project.

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

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

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

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the Facilities 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 Issuer, which copies will be open to inspection by all interested parties.

Section 7.10. Reserved.

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

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

The Issuer agrees that qualified operating personnel properly certified by the State will be employed to operate the Facilities so long as any of the Series 2010 Bonds are outstanding.

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

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the Facilities, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or

authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

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

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the Facilities, 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 services provided by the Facilities, 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 Facilities, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the Facilities.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2010 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 Facilities or shall cause the PSDs to maintain such insurance. Such insurance shall initially cover the following risks and be in the following amounts:

(A) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured prior to acceptance of any part of the Project from the contractor, and immediately upon any portion of the Facilities now in use, on all above-ground insurable portions of the Facilities, including machinery and equipment housed therein, in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the Facilities, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(B) Public Liability Insurance, with limits of not less than $1,000,000 for personal liability to protect the Issuer from claims for bodily injury and/or death and not less than $500,000 from claims for damage to property of others which may arise from the operation of the Facilities.

(C) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the Facilities, or in the event that any vehicle not owned by the Issuer is operated for the benefit of the Issuer, with limits of not less than $1,000,000 for personal liability to protect the Issuer from claims for bodily injury and/or death and not less than $500,000 from claims for damage to property of others which may arise from such operation of vehicles.

(D) Workers' Compensation Coverage for All Employees of the Facilities Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each contractor dealing directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with Chapter 38, Article 2, Section 39 of the Code of West Virginia, 1931, as amended.

(E) Fidelity Bonds will be provided as to every member, officer and employee of the Issuer having custody of the Revenue Fund or of any other funds or property of the Facilities in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount required by the Authority and to be increased thereafter as necessary to cover the maximum amount of funds under control of that position at any one time.

(F) Flood Insurance will be obtained by the Issuer if available; however, if the Facilities are located in a community which has been notified as having special flood or mudslide prone areas, flood insurance must be obtained.

B. Construction Bonds. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction. The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. The Issuer shall verify such insurance prior to commencement of construction.

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

Section 7.17. Completion of Project; Permits. The Issuer shall complete the Project as promptly as possible.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreements, this Bond Legislation and the Act. The Issuer shall also comply with all applicable laws, rules and regulations issued by the Authority or other state, federal or local bodies in regard to the acquisition and construction of the Project.

The Issuer shall serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer shall not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Authority.

Following completion of the Project the Issuer shall certify to the Authority the number of customers added to the System.

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

Section 7.19. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2010 Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2010 Bonds during the term thereof is, under the terms of the Series 2010 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2010 Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2010 Bonds during the term thereof is, under the terms of the Series 2010 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2010 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2010 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

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

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

D. INFORMATION RETURN. The Issuer shall file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2010 Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer shall take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2010 Bonds will be and remain excludable from gross income for federal income tax purposes, and shall not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

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

Section 7.21. Contracts. The Issuer shall, simultaneously with the delivery of the Series 2010 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS

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

Any investment shall be held in and at all times deemed a part of the fund or account in which such 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 shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2010 Bonds are Outstanding.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2010 Bonds:

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

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2010 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2010 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 Authority, the Depository Bank, the Registrar or a Registered Owner of a Bond; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of the Series 2010 Bonds 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 Facilities, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of the Series 2010 Bonds may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project.

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 Facilities 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 Facilities 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.

ARTICLE X

PAYMENT OF BONDS

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

Series 2010 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 Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 2010 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 2010 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 the moneys, if any, deposited with the Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal installments of an and interest due and to become due on the Series 2010 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 of and interest on said Series 2010 Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Commission or said escrow trustee, 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 the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or said escrow trustee, 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. Prior to issuance of the Series 2010 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2010 Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2010 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2010 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2010 Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2010 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 Series 2010 Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2010 Bonds.

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

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

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

Section 11.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance in the form set forth in Exhibit C attached hereto and incorporated herein by reference, shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in The St. Marys Oracle, a qualified newspaper published and of general circulation in Pleasants County, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2010 Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than 10 days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. The Governing Body hereby determines that the abstract of this Ordinance as set forth in Exhibit C contains sufficient information as to give notice of the contents hereof. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.08. Effective Date. This Ordinance shall take effect immediately following public hearing hereon and final reading hereof.

Passed on First Reading:	May 3, 2010
Passed on Second Reading:	May 10, 2010
Passed on Final Reading Following Public Hearing:	May 24, 2010

President

{C1730777.1}

CERTIFICATION

Certified a true copy of an Ordinance duly passed by Board of the PLEASANTS COUNTY DEVELOPMENT AUTHORITY on May 10, 2010, and effective May 24, 2010.

Dated this 11th day of June, 2010.

[SEAL]

Secretary

EXHIBIT A

THE PROJECT

The Project consists of (1) the acquisition and construction of a water distribution system to serve 200 customers residing in the Jefferson, Lafayette, McKim, Union and Washington Magisterial Districts in Pleasants County and the expansion of Union Williams Public Service District's System to serve additional customers residing in the Guard Hill area of Pleasants County, and all appurtenances thereunto.

EXHIBIT B

[LOAN AGREEMENT]

EXHIBIT C

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

NOTICE OF PUBLIC HEARING AND ABSTRACT OF BOND ORDINANCE

Notice is hereby given to any person interested that on May 10, 2010, the Board of the Pleasants County Development Authority (the "Issuer"), adopted an ordinance which, among other things:

1. Authorized the acquisition, construction and equipping of certain waterworks facilities to be located in Pleasants County (the "Facilities") and the financing of the cost, not otherwise provided, thereof through the issuance of not more than $5,000,000 in aggregate principal amount of Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) and Waterworks Lease Revenue Bonds, Series 2010 B/C (West Virginia Water Development Authority) (collectively, the "Bonds").

2. Directed that the Bonds be issued in such principal amounts, bear interest at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates, mature on such dates and in such amounts and redeemable, in whole or in part, as prescribed in a supplemental resolution or in the Loan Agreements for the Bonds; authorized the execution and delivery of the Loan Agreements.

3. Directed the creation of a revenue fund and the disposition of certain leases of the Facility; provided for the payment of debt service on the Bonds; directed the creation of sinking funds and reserve accounts for the Bonds; directed the creation of a bond construction trust fund and the disbursement of Bond proceeds.

4. Provided that the Bonds shall not 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 of the Issuer; pledged the Net Revenues of the Issuer to payment of the Bonds and established the rights of the registered owners of the Bonds to the Net Revenues of the Issuer; provided certain conditions for the issuance of additional bonds.

5. Established the events of default and the remedies of the registered owners of the Bonds; and provided for the modification or amendment of the Ordinance upon the terms and conditions set forth in the Ordinance.

The Issuer contemplates the issuance of the Bonds described in and under the conditions set forth in the Ordinance abstracted above. Any person interested may appear before the Board of the Pleasants County Development Authority at a special meeting on May 24, 2010, at 5:30 p.m., at 2272 North Pleasants Highway, St. Marys, West Virginia, and present protests and be heard as to whether the above-described Ordinance shall be put into effect.

A certified copy of the Ordinance as adopted by the Board is on file with the Secretary for review by interested persons during the office hours of the Issuer.

_____

Secretary

PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, PAYMENT SCHEDULE, SALE PRICE AND OTHER TERMS OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY WATERWORKS LEASE REVENUE BONDS,SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; APPROVING AND RATIFYING THE LOAN AGREEMENT WITH RESPECT TO SUCH BONDS; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Board (the "Governing Body") of the Pleasants County Development Authority (the "Issuer") has duly and officially adopted a Bond Ordinance on May 24, 2010 (the "Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC WATERWORKS FACILITIES OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE AUTHORITY OF NOT MORE THAN $3,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B AND SERIES 2010 C (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING

EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS 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 capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Ordinance when used herein;

WHEREAS, the Ordinance provides for the issuance of the Issuer's Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), in an aggregate principal amount not to exceed $3,500,000 (the "Series 2010 A Bonds") and the Waterworks Lease Revenue Bonds, Series 2010 B and Series 2010 C (West Virginia Water Development Authority), in an aggregate principal amount not to exceed $1,500,000 (the "Series 2010 B Bonds" and together with the Series 2010 A Bonds, the "Series 2010 Bonds" or the "Bonds"), and has authorized the execution and delivery of a loan agreement relating to the Series 2010 A Bonds, including all schedules and exhibits attached thereto (the "Series 2010 A Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority ("the Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and a loan agreement relating to the Series 2010 B Bonds, including all schedules and exhibits attached thereto by and between the Issuer and the Authority (the "Series 2010 B Loan Agreement" and collectively, the "Loan Agreements") all in accordance with Chapter 7, Article 12, Chapter 8, Article 16, Chapter 31, Article 15A and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended (collectively, the "Act"); and in the Ordinance it is provided that the exact principal amount, date, maturity date, interest rate, payment schedule, sale price and other terms of the Bonds should be established by a supplemental resolution, and that other matters relating to the Bonds be therein provided for;

WHEREAS, the Loan Agreements have been presented to the Issuer at this meeting;

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

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreements be approved and ratified, that the exact principal amount, date, maturity date, interest rate, payment schedule, sale price and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF PLEASANTS COUNTY DEVELOPMENT AUTHORITY:

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

A. Series 2010 A Bonds: Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single bond, numbered AR-1, in the original principal amount of $3,000,000. The Series 2010 A Bonds shall be dated the date of delivery, shall finally mature September 1, 2027, and shall bear no interest. The principal of the Series 2010 A Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2012, in the amounts set forth in the Schedule Y attached to the Series 2010 A Loan Agreement and incorporated in and made a part of the Series 2010 A Bonds. The Series 2010 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Series 2010 A Loan Agreement, so long as the Authority shall be the Registered Owner of the Series 2010 A Bonds.

B. Series 2010 B Bonds. Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), of the Issuer, originally represented by a single bond, numbered BR-1, in the original principal amount of $100,000. The Series 2010 B Bonds shall be dated the date of delivery, shall finally mature October 1, 2027, and shall bear interest at a rate of 4% per annum. The interest of the Series 2010 B Bonds shall be payable semi-annually on April 1 and October 1 of each year, commencing October 1, 2010, in the amounts set forth in the Schedule Y attached to the Series 2010 B Loan Agreement and incorporated in and made a part of the Series 2010 B Bonds. The principal of the Series 2010 B Bonds shall be payable annually on October 1 of each year commencing October 1, 2013, in the amounts set forth in the Schedule Y attached to the Series 2010 B Loan Agreement. The Series 2010 B Bonds shall be subject to redemption upon the written consent of the Authority, and upon payment of the redemption premium, if any, and otherwise in compliance with the Series 2010 B Loan Agreement, so long as the Authority shall be the Registered Owner of the Series 2010 B Bonds.

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

Section 3. The Issuer hereby authorizes, approves, ratifies and accepts the Loan Agreements, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreements by the President and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed. The Issuer hereby affirms all covenants and representations made in the Loan Agreements and in the applications to the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2010 Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer hereby appoints and designates United Bank, Inc., Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Ordinance and approves and accepts the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the President, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed and approved.

Section 5. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Commission"), to serve as Paying Agent for the Bonds under the Ordinance.

Section 6. The Issuer hereby appoints and designates Pleasants County Bank, St. Marys, West Virginia, to serve as the Depository Bank under the Ordinance.

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

Section 8. Series 2010 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2010 A Bonds Reserve Account.

Section 9. Series 2010 B Bonds proceeds in the amount of $6,000 shall be deposited in the Series 2010 B Bonds Sinking Fund as capitalized interest.

Section 10. Series 2010 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2010 B Bonds Reserve Account.

Section 11. The grant from the Pleasants County Commission for fiscal year 2012 shall be deposited monthly into the Series 2010 Bonds Reserve Accounts. All earnings on the Series 2010 A and B Bonds Reserve Accounts for the fiscal year ending June 30, 2012, shall be transferred by the Commission into the Series 2010 B Bonds

Sinking Fund and applied to the payment of interest on the Series 2010 B Bonds to the not extent previously capitalized.

Section 12. The remaining proceeds of the Series 2010 Bonds, as advanced from time to time, shall be deposited in the Series 2010 Bonds Construction Trust Fund for payment of costs of the Project, including costs of issuance of the Series 2010 Bonds.

Section 13. The President and Executive Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Ordinance approved and provided for, to the end that the Bonds may be delivered to the Authority pursuant to the Loan Agreements on or about June 11, 2010.

Section 14. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 15. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Ordinance held by the Depository Bank until expended, in money market accounts secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to invest all moneys in such money market accounts until further directed in writing by the Issuer. Moneys in the Series 2010 Bonds Sinking Fund and the Series 2010 Bonds Reserve Accounts shall be invested by the Commission in the West Virginia Consolidated Fund.

Section 16. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project and the President is hereby authorized and directed to execute and deliver all such contracts.

Section 17. The Issuer hereby approves the costs of issuance and authorizes the payment of the same.

Section 18. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 24th day of May, 2010.

President

{C1754853.1}

CERTIFICATION

Certified as a true copy of a Supplemental Resolution duly adopted by the Board of Pleasants County Development Authority on the 24th day of May, 2010.

Dated this 11th day of June, 2010.

[SEAL]

Executive Secretary

{C1754853.1}

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Date Recorded 06/11/2010
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AGREEMENT AND LEASE

Between

PLEASANTS COUNTY DEVELOPMENT AUTHORITY,
Lessor

and

THE COUNTY COMMISSION OF PLEASANTS COUNTY,
WEST VIRGINIA
Lessee

Dated as of June 11, 2010

(Pleasants County Public Service District Project)

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AGREEMENT AND LEASE

This Agreement and Lease (hereinafter called the "Lease") dated June 11, 2010, by and between the PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public agency and county development authority, organized and existing under and by virtue of the provisions of the Constitution and laws of the State of West Virginia, as lessor (hereinafter called the "Issuer" or the "Lessor"), and THE COUNTY COMMISSION OF PLEASANTS COUNTY, a public corporation and political subdivision of the State of West Virginia, as lessee (hereinafter called the "County Commission" or the "Lessee").

W I T N E S S E T H:

WHEREAS, pursuant to the authority of Chapter 7, Article 12, of the Code of West Virginia, 1931, as amended (the "Act"), the County Commission entered an order on October 18, 1988, creating the Issuer, a public agency with perpetual existence and a county development authority within the meaning of the Act;

WHEREAS, the Issuer under the Act has plenary power and authority to contract and be contracted with, to stimulate and promote the expansion of all kinds of business and industrial activity which will tend to advance business and industrial development and maintain the economic stability of the county, provide maximum opportunities for employment, encourage thrift, and improve the standard of living of the citizens of the county, for public purposes, to such persons and upon such terms as the Issuer deems proper;

WHEREAS, the County is empowered and authorized by Chapter 7, Article 1 and Chapter 7, Article 20 of the West Virginia Code of 1931, as amended, to expend public funds to acquire, install, construct, establish, extend, equip, repair, maintain and operate waterworks facilities;

WHEREAS, the Issuer under the Act has plenary power and authority to issue negotiable notes, mortgage bonds, other bonds, debentures or other evidences of indebtedness and provide for the rights of the holders thereof, incur any proper indebtedness and issue any obligations and give any security therefor which it may deem necessary or advisable in connection with exercising powers as provided in the Act;

WHEREAS, the Issuer has, at the request of the County Commission, agreed to acquire, construct and equip certain public waterworks facilities, to be located on certain real property in Pleasants County, West Virginia, all as set forth in EXHIBIT A -WATERLINE

LOCATIONS, attached hereto as a part hereof and incorporated by reference herein (collectively, the "Site"), which real property is more particularly described in EXHIBIT B - REAL PROPERTY DESCRIPTION, attached hereto as a part hereof and incorporated by reference herein, such public waterworks facilities to include, but not be limited to, certain personal property, more particularly described in EXHIBIT C - PERSONAL PROPERTY DESCRIPTION, attached hereto as a part hereof and incorporated by reference herein, (such real estate, improvements, fixtures and equipment, and all further additions, improvements and additional facilities of every kind and nature located at the Site, now or hereafter acquired or constructed thereon, herein called the "Facilities") and to lease such Facilities to the County Commission;

WHEREAS, to assist in the acquisition, construction and equipping of the Facilities, and the subsequent operation, maintenance, repair and replacement of the Facilities, the Issuer and the County Commission have entered into an Agreement dated June 11, 2010 (the "O & M Agreement"), with the Pleasants County Public Service District (the "PSD");

WHEREAS, the County Commission and the PSD have provided the Issuer with plans and specifications for the acquisition, construction and equipping of the Facilities, which plans and specifications are summarized in the Construction Outline Specifications, attached hereto as EXHIBIT D - CONSTRUCTION OUTLINE SPECIFICATIONS, attached hereto as a part hereof, and incorporated by reference herein, and the Issuer and the County Commission have agreed to appoint the PSD as their agent for the purpose of acquisition, construction and equipping of the Facilities;

WHEREAS, in order to provide funds for payment of the costs of the acquisition, construction and equipping of the Facilities, as well as costs incidental thereto, the Issuer and the County Commission have each determined by order, resolution or ordinance duly adopted by their respective governing bodies that the Issuer will issue its Waterworks Lease Revenue Bonds, Series 2010 (A/B/C), in an aggregate principal amount not to exceed $3,500,000 (the "Series 2010 Bonds"), under and pursuant to an Ordinance of the Issuer (the "Ordinance");

WHEREAS, the County Commission has agreed to lease the Facilities and, subject to existing law, make lease payments that shall be sufficient to pay debt service on the Series 2010 Bonds; and

WHEREAS, the Issuer and the County Commission have duly authorized the execution and delivery of this Lease by resolution, ordinance or order duly adopted or enacted by their respective governing bodies.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration and of the mutual benefits, covenants and agreements herein expressed, the receipt and sufficiency of all of which are hereby acknowledged, the Issuer and the County Commission hereby agree as follows:

ARTICLE I

DEFINITIONS, ETC.

Section 1.01. Terms Defined. In addition to terms defined elsewhere herein and in the Ordinance (including the recitals hereto and the recitals in the Ordinance), which shall have the same meanings herein, the following terms shall have the following meanings herein, unless the context requires otherwise:

"Act" means Chapter 7, Article 12 of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Bonds.

"Authorized Representative" or "Authorized Officer" means, with reference to the Issuer, the President, Vice-President or such other officer or officers designated in writing by the Issuer to execute those documents or perform those acts to which are then being referred; with reference to the County Commission, the President or such other officer or officers designated in writing by the County Commission to execute those documents or perform those acts to which are then being referred; with reference to the PSD, its Chairman or any officer designated in writing by the PSD to execute those documents or perform those acts to which are then being referred; and, with reference to the Authority, such officer or officers designated in writing by the Authority, as the case may be, to execute those documents or perform those acts to which are then being referred.

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

"Bond" or "Bonds" means the Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 (A/B/C), to be issued pursuant to the Ordinance.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized as expert in matters relating to the issuance of tax-exempt bonds and initially means Jackson Kelly PLLC, Charleston, West Virginia.

"Bondholders" or "Holder," when referring to the Bonds, means the person in whose name the Bonds are Registered, as provided in the Ordinance.

"Business Day" means any day other than a Saturday, Sunday or a day on which national banking associations or West Virginia banking corporations are authorized by law to remain closed.

"Construction Outline Specifications" means the summary of the plans and specifications for the acquisition, construction and equipping of the Facilities attached hereto as EXHIBIT D - CONSTRUCTION OUTLINE SPECIFICATIONS.

"Construction Period" means the period of time during which the Facilities are being constructed.

"County Commission" or "Lessee" means The County Commission of Pleasants County, Pleasants County, West Virginia.

"Closing Date" means the date upon which there is an exchange of the Bonds for the proceeds representing the original purchase price thereof.

"Code" means the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder.

"Deed of Trust and Security Agreement" means the Deed of Trust and Security Agreement dated as of the date hereof from the Issuer to the trustees named therein to secure the Authority for the repayment of the principal of and interest on the Bonds, as amended and supplemented from time to time.

"Event of Default" means any of the events described as an Event of Default in Section 10.01 hereof.

"Facilities" means the Site, all improvements, buildings, fixtures, equipment and other personal property, together with all additions, improvements and additional facilities thereto, of every kind and nature located at the Site, now or hereafter acquired or constructed thereon, which have been leased by the Issuer to the County Commission pursuant to this Lease and are subject to the lien of the Deed of Trust and Security Agreement, subject to Permitted Encumbrances.

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

"Fiscal Year" means the fiscal year of the Issuer which, at the time of the original execution and delivery of this Lease begins on July 1 and ends on the next succeeding June 30, or such other 12-month period as may be designated by the Issuer in writing delivered to the Authority.

"Issuer" or "Lessor" means the Pleasants County Development Authority, a public corporation and county development authority organized and existing under and by virtue of the provisions of the Constitution and laws of the State, created by the County Commission pursuant to the Act, and any successor in function.

"Lease" means this Agreement and Lease, all amendments thereof and supplements thereto and where applicable, also means any subsequent lease or leases of all or any portion of the Facilities.

"Lease Term" shall have the meaning assigned to such term under Section 5.01 hereof.

"Net Proceeds" means, when used with respect to any insurance or condemnation award, the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorneys' fees) incurred in the collection of such gross proceeds.

"O & M Agreement" means the agreement among the Issuer, the County Commission and the PSD, dated as of June 1, 2010, relating to the acquisition, construction and equipping of the Facilities and the subsequent operation, maintenance, repair and replacement of the Facilities.

"Operating and Maintenance Expenses" means, with respect to the Facilities and with respect to the period of determination, the costs and expenses of normal operation and maintenance of the Facilities, including, without limitation, the costs and expenses of salaries and fringe benefits, utility service, insurance, taxes, fees, licenses, permits, administrative expenses, normal maintenance and repairs but excluding, however, depreciation, amortization, charges for renewal and replacement and other noncash expenses.

"Permitted Encumbrances" means this Lease, the Deed of Trust and Security Agreement and, as of any particular time,

(1) Liens for taxes and special assessments which are not then delinquent or, if then delinquent, are being contested by the Issuer in good faith;

(2) Utility, access and other easements and rights-of-way, restrictions and exceptions that the Issuer certifies will not interfere with or impair the operation of the Facilities (or, if it is not being operated, the operation for which it was designed or last modified);

(3) Any subordinate, junior and inferior mechanics', laborers' or materialmen's lien if payment is not yet due; provided, however, such a lien may not be of record for in excess of 30 days unless contested in good faith by the Issuer;

(4) Such minor defects and irregularities of title as normally exist with respect to properties similar in character to the Facilities and which do not materially adversely affect the value of the Facilities or impair the property affected thereby for the purpose for which it was acquired or is held or used by the Issuer;

(5) Zoning laws and similar restrictions;

(6) Subleases of a portion or portions of the Facilities bearing a term less than or equal to the then remaining term of the Lease, which subleases shall be subordinate to the lien of the Deed of Trust and Security Agreement and consented to in writing by the Authority, which consent shall not be unreasonably withheld;

(7) Such subsequent leases of the Facilities or portions thereof in accordance with the terms of this Lease and which shall be subject to the lien of the Deed of Trust and Security Agreement and consented to in writing by the Authority;

(8) Liens, security interests and other encumbrances which are expressly subject and subordinate to this Lease and the Deed of Trust and Security Agreement and consented to in writing by the Authority and the PSD; and

(9) The O & M Agreement.

"Person" means natural persons, firms, associations, corporations, partnerships and public bodies.

"President" means the President of the Issuer.

"PSD" means the Pleasants County Public Service District or any successor thereto.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1954.

"Rent" means all receipts, revenues, income and other moneys received by or on behalf of the Issuer under the Lease.

"Site" means the real estate described in EXHIBIT B - REAL PROPERTY DESCRIPTION, attached hereto as a part hereof, and incorporated by reference herein, and any additional real property which is made subject to the lien of the Deed of Trust and Security Agreement.

"State" means the State of West Virginia.

"Title" means good and marketable fee simple absolute title as to the Facilities, subject only to Permitted Encumbrances.

"Written Request" means a request in writing signed by the President or a Vice-President of the Issuer or any other officer or officers designated by the Issuer.

Any requirement for execution of this Lease, the Bonds or any Certificate or other document by a Chairman, President or Secretary or other officer shall mean that such Bonds, Certificate or other document may be executed by the Vice Chairman, Vice-President, Assistant Secretary or Assistant to such other officer.

All references in this instrument to designated "Articles," "Sections" and other subdivisions are to be designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or other subdivision unless the context indicates otherwise.

The terms defined in this Section have the meanings assigned to them in this Section, words importing the singular shall include the plural as well as the singular and vice versa, words importing persons shall include firms, associations and corporations, and words importing the masculine, feminine and neuter gender shall be deemed to include all such genders.

All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles.

Section 1.02. Exhibits. The following Exhibits are attached to and by reference are hereby made a part of this Lease:

EXHIBIT A - WATERLINE LOCATIONS
EXHIBIT B - REAL PROPERTY DESCRIPTION
EXHIBIT C - PERSONAL PROPERTY DESCRIPTION
EXHIBIT D - CONSTRUCTION OUTLINE SPECIFICATIONS

ARTICLE II

REPRESENTATIONS

Section 2.01. Representations, Findings, Determinations and Warranties by the Issuer. The Issuer makes the following representations, findings, determinations and warranties as the basis for the undertakings and covenants on its part and on the part of the Lessee contained herein, all such representations and warranties to be maintained until termination of this Lease:

(A) The Issuer is a public agency and county development authority validly created and existing under the Act and the other laws of the State, is authorized to enter into the transactions contemplated by this Lease, the Ordinance and all other documents, agreements, instruments and certificates in connection herewith and therewith and to carry out its obligations hereunder and thereunder, has been duly authorized to execute and deliver this Lease and all other documents, agreements, instruments and certificates in connection herewith and therewith, and agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(B) The acquisition, construction and installation of the Facilities, the issuance and sale of the Bonds, the enactment of the Ordinance, the execution and delivery of this Lease and all other agreements, documents, instruments and certificates in connection herewith and therewith and the performance of all covenants and agreements of the Issuer contained in this Lease, the Ordinance and all other documents, agreements, instruments and certificates in connection herewith and therewith and of all other acts and things required under the Constitution and laws of the State, or any other document, agreement or instrument by which the Issuer is bound, to make this Lease, the Ordinance and all other documents, agreements and certificates in connection herewith and therewith valid and binding obligations of the Issuer in accordance with the terms thereof, are authorized by the Act and other laws of the State and have been duly authorized by proceedings of the Issuer enacted or adopted at meetings thereof duly called and held.

(C) The Issuer has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer any act or thing whereby its Title to and interest in the Facilities shall or may be impaired, charged or encumbered in any manner whatsoever except for Permitted Encumbrances.

(D) To finance the costs of acquisition, construction and installation of the Project and to pay the costs of issuance thereof, the Issuer has authorized issuance of the Bonds in the aggregate principal amount of not more than $3,500,000 to be issued upon the terms set forth in the Ordinance, under the provisions of which, in order to secure the payment of the principal, premium, if any, and interest on the Bonds, the interest of the Issuer in this Lease and the Rent to be received hereunder are pledged and assigned to the Authority, and the Facilities shall become subject to the lien and pledge provided for in the Deed of Trust and Security Agreement for the benefit of the Bondholders.

(E) The Issuer has found and determined, and does hereby find and determine, that (i) the acquisition, construction and installation of the Project as provided for under this Lease, (ii) the financing of such acquisition, construction and installation by the issuance, sale and delivery by it of the Bonds, (iii) the leasing by it of the Facilities to the County Commission under and pursuant hereto, and (iv) all other things contemplated by or contained in this Lease and the Ordinance, are necessary, proper and appropriate to accomplish the public purpose of providing waterworks facilities to supply potable water to currently unserved portions of the County.

Section 2.02. Representations and Warranties by the County Commission. The County Commission makes the following representations and warranties, all such representations and warranties to be applicable upon and following issuance of the Bonds and to be maintained until termination of this Lease:

(A) The County Commission is a political subdivision of the State, duly and validly created and existing under the Constitution and the other laws of the State, has been duly authorized to execute and deliver this Lease and all other agreements, documents, instruments and certificates in connection herewith and therewith, and agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(B) The acquisition, construction and installation of the Facilities, the execution and delivery of this Lease and all other agreements, documents, instruments and certificates in connection herewith, and the performance of all covenants and agreements of the County Commission contained in this Lease and all other agreements, documents, instruments and certificates in connection herewith, and of all other acts and things required under the Constitution and laws of the State, or any other document, agreement or instrument by which the County Commission is bound, to cause the

acquisition, construction and equipping of the Facilities and to make this Lease and all agreements, documents and instruments in connection herewith, valid and binding obligations of the County Commission in accordance with the terms thereof, are duly authorized under the Constitution and other laws of the State and have been duly authorized by proceedings of the County Commission enacted or adopted at meetings thereof duly called and held. No authority or proceedings for the execution and delivery of this Lease and the performance of the obligations hereunder has or have been repealed, revoked or rescinded.

(C) There is no action, suit, proceeding, inquiry, order, claim, counterclaim, arbitration, demand or investigation at law or in equity or before or by any court, public board, authority or body, pending or threatened, or any order, judgment or decree in progress, nor is there any basis therefor, which would adversely affect the County Commission, the Facilities or the transactions contemplated by this Lease or any of the documents, agreements, instruments or certificates in connection herewith or the consummation of the transactions contemplated thereby, the payment of Rent hereunder from legally available funds of the County Commission, subject to annual appropriation by the County Commission, the application of any money or security granted by the County Commission that may be used for payment of the Bonds or the operation of the Facilities, or which in any way would adversely affect the validity or enforceability of this Lease, the Bonds or the Deed of Trust and Security Agreement or the payment of Rent hereunder from legally available funds of the County Commission or which in any way would adversely affect the ability of the County Commission to perform its obligations under this Lease or any agreement, document or instrument in connection herewith and therewith, the creation, organization or existence of the County Commission, the title to office of any officer thereof or the power of the County Commission to lease and operate the Facilities.

(D) The County Commission will operate the Facilities, or cause the Facilities to be operated by the PSD under the O & M Agreement, as a public water distribution system until the date on which all of the Bonds have been fully paid and are no longer outstanding.

(E) The execution and delivery of this Lease and all documents, agreements, instruments and certificates in connection herewith, the consummation of the transactions contemplated hereby, and the compliance with, fulfillment of and carrying out of the provisions and terms hereof and thereof, including without limitation the operation of the Facilities, do not and

will not, with or without the giving of notice or passage of time, or both, conflict with or constitute on the part of the County Commission a violation or breach of or constitute or result in a default or loss of rights (or give rise to any right of termination, cancellation or acceleration) under or result in the creation of any lien, charge or encumbrance pursuant to and are not materially adversely affected by any mortgage, indenture, note agreement, bond, contract, lease, document, resolution, deed of trust or other agreement, obligation or instrument to which the County Commission is a party or by which the County Commission or its properties are bound or affected or any charter provision, judgment, statute, ordinance, order, rule, law, court decision, decree or regulation by which the County Commission or its properties are subject or affected, and will not cause any forfeiture or impairment of any license, authorization or permit.

(F) The County Commission has complied in all material respects with the applicable provisions of law which would affect its ability to enter into this Lease and consummate the transactions set forth herein and has full legal right, power and authority to enter into, execute and deliver this Lease and all other documents, agreements, instruments and certificates in connection herewith and perform its obligations hereunder and thereunder, to lease, operate and use the Facilities, to conduct its business as contemplated in this Lease, and to carry out and consummate all transactions contemplated by the foregoing, including, without limitation, the payment of Rent hereunder from legally available funds of the County Commission, subject to annual appropriation by the County Commission.

(G) Funds have been appropriated by the County Commission or are otherwise available in an amount sufficient to make all rental payments, if any, during the Fiscal Year beginning July 1, 2010, and the County Commission reasonably believes that funds can be obtained in an amount sufficient to make all rental payments during the entire Lease Term. It is the County Commission's intent to make the rental payments for the full Lease Term if funds are legally available therefor and in that regard the County Commission represents that: (a) the use of the Facilities is essential to its proper, efficient and economic functioning or to the services that it provides to its citizens; (b) the County Commission has an immediate and continuing need for the use of substantially all of the Facilities, which is not temporary or expected to diminish in the foreseeable future; and (c) the Facilities are and will be used by the County Commission only for the purpose of performing one or more of its governmental or proprietary functions consistent with the permissible scope of its authority.

ARTICLE III

ACQUISITION, CONSTRUCTION AND EQUIPPING OF FACILITIES

Section 3.01. Construction Outline Specifications. The County Commission and the PSD have provided the Issuer with, and the Issuer has agreed to, specific plans and specifications for the acquisition, construction and equipping of the Facilities, as summarized in EXHIBIT C - CONSTRUCTION OUTLINE SPECIFICATIONS.

Section 3.02. Appointment of PSD as Agent. The Issuer and the County Commission hereby appoint the PSD as agent of the Issuer and the County Commission for the purposes of acquisition, construction and equipping of the Facilities and contracting for all services necessary or incidental thereto and other activities as set forth in the O & M Agreement.

Section 3.03. Acquisition, Construction and Equipping of Facilities by Issuer. The Issuer shall enter into such contracts and agreements as may be necessary, at the request and direction of the PSD, to enable the Facilities to be acquired, constructed and equipped in accordance with the Construction Outline Specifications, including all Change Orders which the PSD may request during the course of the acquisition, construction and equipping of the Facilities pursuant to Section 3.04 of this Lease.

Section 3.04. Change Orders. The Issuer, at the request of the PSD, may request such changes in the Construction Outline Specifications during the course of the acquisition, construction and equipping of the Facilities as the PSD deems necessary or advisable, provided however, that any such Change Order shall not (i) materially adversely reduce the number of anticipated users of the Facilities upon completion of acquisition, construction and equipping of the Facilities, or (ii) cause the costs of acquisition, construction and equipping of the Facilities to exceed the amount available to pay such costs as provided in the Ordinance. Any Change Orders under this Section shall be deemed incorporated into and made a part of the Construction Outline Specifications for purposes of this Lease.

Section 3.05. Insurance During Construction Period. During the Construction Period, the Issuer, the County Commission and/or the PSD, as appropriate shall maintain or cause to be maintained "all-risk" and "extended risk" property insurance and builder's risk and fire insurance, in each case with respect to the Facilities covering physical loss or damage to the Facilities and as appropriate shall be named as additional insureds.

ARTICLE IV

ISSUANCE OF BONDS BY THE ISSUER

Section 4.01. Sale of Bonds. The Issuer and the County Commission have determined that the Bonds can be issued and sold upon fair and reasonable terms, and that the Issuer shall issue, sell and deliver the Bonds in an aggregate principal amount not in excess of $3,500,000 pursuant to and in conformity with the Ordinance. The proceeds of the Bonds shall be deposited and applied as provided in the Ordinance.

Section 4.02. Payment of Bonds. The principal of, redemption premium, if any, and interest on the Bonds shall be payable in accordance with the provisions of the Ordinance and the Bonds, and the Rent paid by the County Commission hereunder shall be pledged to secure the payment of the Bonds, all as provided herein and in the Ordinance.

Section 4.03. Assignment of Rights Under Lease and Priority of Ordinance. This Lease and the rights, interests, powers, privileges and benefits accruing to or vested in the Issuer hereunder shall be protected and enforced in conformity with the Ordinance and is assigned by the Issuer to the Authority as security for the Bonds pursuant to the Ordinance, and shall be exercised and enforced for or on behalf of the Bondholders in conformity with the provisions hereof and of the Ordinance. Notwithstanding anything herein or in the Ordinance to the contrary, this Lease is and shall be expressly subject to the Ordinance. THE ISSUER SHALL RETAIN NO RIGHTS HEREUNDER, EXCEPT THOSE RIGHTS SET FORTH IN SECTIONS 6.01 AND 8.07, AND NOTWITHSTANDING ANY PROVISION HEREIN TO THE CONTRARY, ONLY THE BONDHOLDERS SHALL HAVE THE RIGHT TO PURSUE ANY REMEDIES HEREUNDER.

ARTICLE V

DEMISING CLAUSES AND RENT

Section 5.01. Leasing of the Facilities - Term of Lease. In consideration of the Rent to be received by the Issuer and of the covenants, agreements and promises herein contained to be kept and performed by the County Commission, and in consideration of the issuance of the Bonds by the Issuer and the assignment of the Lease by the Issuer to the trustees named in the Deed of Trust and Security Agreement, the Issuer hereby demises and leases the Facilities to the County Commission and the County Commission hereby hires, takes and leases the Facilities from the Issuer, for the Lease Term, at the Rent and on the conditions herein set forth.

The term of the demise and leasing of the Facilities by the Issuer to the County Commission, subject to the provisions hereof (the "Lease Term"), shall commence on the Closing Date, and shall extend, unless sooner terminated in accordance with the provisions hereof, to June 1, 2028, provided, however, that the Lease Term shall expire on such earlier or later date as the principal of, premium, if any, and interest on all the Bonds and all other expenses or amounts payable by the County Commission hereunder or under the Ordinance are paid or provisions for the payment thereof have been made.

NOTWITHSTANDING THE FOREGOING OR ANYTHING HEREIN TO THE CONTRARY, THE ISSUER HEREBY GRANTS TO THE COUNTY COMMISSION THE OPTION TO TERMINATE THIS LEASE DURING ANY FISCAL YEAR COVERED HEREBY, IN ACCORDANCE WITH THE ACT AND OTHER PROVISIONS OF LAW, AND IN THE EVENT OF THE EXERCISE OF SUCH OPTION TO TERMINATE THIS LEASE, THE RENT PAYABLE HEREUNDER SHALL BE CANCELED WITHOUT PENALTY TO THE COUNTY COMMISSION AT THE END OF THE THEN CURRENT FISCAL YEAR, WHEREUPON THE COUNTY COMMISSION SHALL SURRENDER THE PREMISES TO THE ISSUER AT THE END OF THE THEN CURRENT FISCAL YEAR. THE COUNTY COMMISSION COVENANTS TO PROVIDE THE ISSUER AND THE AUTHORITY WITH WRITTEN NOTICE, IN ACCORDANCE WITH SECTION 11.01 HEREOF, OF ITS INTENTION TO EXERCISE SUCH OPTION TO TERMINATE THIS LEASE NOT LESS THAN 90 DAYS PRIOR TO THE END OF THE FISCAL YEAR IN WHICH THE COUNTY COMMISSION ELECTS TO EXERCISE SUCH OPTION.

Section 5.02. Rent. Until payment in full of the Bonds and the interest thereon and all fees, charges and costs owed by the County Commission hereunder, the County Commission shall pay, directly to the West Virginia Municipal Bond Commission, on

or before dates set forth in the amortization schedules for the Bonds, from moneys legally available for such purpose, Rent to be computed by adding the following:

(1) On the due date of each monthly sinking fund installment of principal and/or interest on the Bonds, as set forth in Section 5.02 of the Ordinance, the amount required to pay such monthly installment in accordance with the Ordinance;

(2) On the due date of each monthly Reserve Account payment on the Bonds, as set forth in Section 5.02 of the Ordinance, the amount required to pay such Reserve Account payment, if any, in accordance with the Ordinance;

(3) On the due date of each monthly sinking fund installment of principal and/or interest on the Bonds, as set forth in Section 5.02 of the Ordinance, the amount required to be paid into the Renewal and Replacement Fund, if any, in accordance with the Ordinance;

(4) To the extent not otherwise provided for under the Series O & M Agreement, Operating Expenses of the Facilities;

(5) When due, the fees and expenses of the Issuer, and the Depository Bank, Registrar and Paying Agent for services under the Ordinance and under this Lease; and

(6) Any other amounts then due and payable by the Issuer pursuant to the provisions of the Ordinance.

In any event, the County Commission shall pay Rent in amounts sufficient to accumulate sums necessary to promptly pay the principal of, premium (if any) and interest on the Bonds, as the same become due and payable, and to pay all other amounts payable by the County Commission or the Issuer pursuant to this Lease or the Ordinance.

All payments of Rent shall be made directly to the West Virginia Municipal Bond Commission and applied in the manner provided in the Ordinance. This Lease is a "triple net lease," and the Issuer shall be under no obligation to operate, maintain, replace or improve the Facilities or pay the cost thereof so long as this Lease remains in force and effect, but shall be entitled to have the Rent paid as required herein on an absolute net basis, and such Rent shall not be subject to abatement before retirement of all Bonds as contemplated in Section 5.04 hereof, and payment of all amounts due hereunder, provided, however, that in

the event of any partial redemption of Bonds as provided in Section 5.06 hereof, then the Rent payable hereunder shall be adjusted accordingly.

Section 5.03. County Commission's Obligations - Limited Obligations. The Issuer and the County Commission covenant and agree that, during the term of this Lease, the County Commission shall bear all risk of damage or destruction in whole or in part to the Facilities or any part thereof including without limitation any loss, complete or partial, or interruption in the use, occupancy or operation of the Facilities, or any manner or thing which for any reason interferes with, prevents or renders burdensome the use or occupancy of the Facilities or the compliance by the County Commission with any of the terms hereof. Notwithstanding the foregoing or anything herein to the contrary, the County Commission's obligations to pay the Rent hereunder from legally available funds of the County Commission, subject to annual appropriation by the County Commission, and the County Commission's obligations to perform and observe the other covenants and agreements contained herein, shall be special and limited obligations of the County Commission payable solely from legally available funds of the County Commission, subject to annual appropriation by the County Commission, and other sources provided for herein and in the Ordinance and shall not, in any event, be or constitute an indebtedness of the County Commission within the meaning of any constitutional or statutory provision or limitation or constitute or give rise to a pecuniary liability of the County Commission, except that the County Commission may pay such Rent from any lawful source notwithstanding the foregoing. Neither the Issuer nor any Holder of any Bond shall ever have the right to compel the exercise of the taxing power of the County Commission to pay the Rent provided hereunder or to pay the principal of or premium on Bonds or the interest thereon. The obligations of the County Commission hereunder shall never be a charge against or pledge of the property, faith and credit or taxing power of the County Commission.

Section 5.04. County Commission's Remedies. Nothing contained in this Article shall be construed to release the Issuer from the performance of any of its agreements herein, and if the Issuer should fail to perform any such agreement, the County Commission may institute such action against the Issuer as the County Commission may deem necessary to compel the performance or to recover damages for nonperformance, subject to Section 8.07 hereof, so long as such action shall not violate the County Commission's agreements in Section 5.03. The County Commission may at its own cost and expense, and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding against third parties or take any other action which the County Commission deems reasonably necessary in order to secure or protect its right of possession, occupancy and use of the Facilities under this Lease. In that event the Issuer agrees to cooperate fully with the County Commission, and to take all action necessary to effect the substitution of the County Commission for the Issuer in any such action or proceeding if the County Commission shall so request.

Section 5.05. Nonappropriation. A. The County Commission hereby warrants that funds have been appropriated or are available in an amount sufficient to make all payments of Rent, if any, during the Fiscal Year commencing July 1, 2010, and reasonably believes that funds can be obtained in the amount necessary to make all payments of Rent during the Lease Term and hereby covenants that it will do all things lawfully within its power to obtain, maintain and properly request and pursue funds from which the payments of Rent may be made, including making provisions for such payments to the extent necessary in each annual budget. During the Lease Term the County Commission will furnish to the Authority, no later than 10 days following adoption of the budget for each Fiscal Year (the "Appropriation Notice Date"), a certificate that the Rent due in that Fiscal Year has been included in the budget approved by the County Commission for such Fiscal Year or, if not so included, notification of such fact within one Business Day following adoption of such budget. During the Lease Term, the County Commission shall not give priority in the application of funds to any facilities functionally similar to the Facilities.

Section 5.06. Prepayment of Rent. The Rent payable hereunder may be prepaid in the event of redemption of Bonds pursuant to the Ordinance. In addition to the foregoing, subject to the advance written consent of the Authority, there is hereby reserved to the County Commission the right, and the County Commission is hereby authorized and permitted, at any time and as often as it may choose, to prepay all or any part of the Rent payable under Section 5.02 hereof together with such other amounts as shall be sufficient to redeem all or a portion of the Bonds in accordance with the redemption provisions of the Ordinance. All Rent and other sums prepaid pursuant to this Section 5.06 shall be applied to the redemption or purchase of outstanding Bonds in the manner and to the extent provided for in the Ordinance. In the event of any partial redemption of Bonds, the Rent payable hereunder shall be reduced to reflect such partial redemption.

In the event of all or any portion of the Bonds becoming due and payable pursuant to the provisions of Article X hereof, Rent payable hereunder sufficient to pay the interest and principal thereon shall be and become at once due and payable.

Section 5.07. Transfer of Facilities to County Commission upon Payment in Full of Rent; Right to Purchase. The Issuer hereby grants unto the County Commission the right to purchase the Facilities upon the payment in full of the Bonds for the price of ten dollars cash in hand. Upon payment of all Rent required hereunder and upon payment, or provision for such payment, by the Issuer of the principal of, redemption premium, if any, and interest on the Bonds and as provided above, the Issuer shall, at the expense of the County Commission, make and deliver to the County Commission a good and proper deed, bill of sale and/or other instrument or instruments of conveyance required by the County Commission upon advice of counsel, duly executed and acknowledged with transfer stamps (if applicable) attached thereto, conveying title to the Facilities, subject to all reservations, exceptions, conditions, easements, rights of way, or other like limitations of record or otherwise under and by which Issuer is bound in ownership of said property.

ARTICLE VI

COVENANTS RELATING TO THE USE AND OPERATION OF THE FACILITIES

Section 6.01. Taxes and Assessments. The County Commission and the Issuer intend that all costs related to this Article will be covered by the O & M Agreement. To the extent not covered by the O & M Agreement or if the O & M Agreement is no longer in effect, and subject to the provisions of Section 6.04 hereof, the County Commission shall pay any and all lawfully assessed taxes, charges, fees and assessments, general and specific, ordinary and extraordinary, if any, levied, taxed, imposed or assessed upon or on account of the use or operation of the Facilities or any part or portion thereof, or the interest of the Issuer and of the County Commission or either of them in or to the Facilities, or upon the Issuer's and County Commission's interest, or the interest of either of them, in this Lease or the Rent payable hereunder during the term of this Lease, and all utility charges, assessments, and other legally enforceable governmental charges and impositions whatsoever.

If, under applicable law, any such tax, charge, fee, rate, imposition or assessment may, at the option of the taxpayer, be paid in installments, the County Commission may exercise such option. The County Commission covenants and agrees that it will, at its own cost and expense, obtain exemption from all taxes and other charges referred to in this Section 6.01 to the extent permitted under applicable law.

As between the parties hereto, the County Commission shall have the duty of making and filing all statements or reports which may be required under applicable law in connection with any such tax, charge, fee, rate, imposition or assessment, or otherwise related to the Facilities, and the Issuer agrees promptly to forward to the County Commission any and all notice of or bills in connection with any such charge, fee, rate, imposition or assessment; provided, however, that an Authorized Officer of the Issuer shall execute and file, or execute and cause to be filed, in a timely fashion, all statements and filings relating to the Facilities which it is required by law to file, notwithstanding the foregoing or anything herein to the contrary. The Issuer hereby grants to the County Commission the right to use the name of the Issuer, to the extent the use of the name of the Issuer is permitted by or necessary under applicable law, in connection with any contest of the amount or validity of any tax, charge, fee, rate, imposition or assessment. If the provisions of any law, rule or regulation at the time in effect shall require such statements or reports to be executed and filed by the Issuer or such proceedings to be brought by the Issuer, the Issuer shall, at the request and expense of the County Commission, execute and file such statements or reports or, as the case may be, shall join in such proceedings, but the Issuer shall not be subject to any liability for the payment of any costs or expenses in connection therewith. The County Commission covenants and agrees that all statements, reports and other documents prepared

for execution by the Issuer solely or by the Issuer jointly with the County Commission, shall be true, accurate and complete.

Nothing contained herein shall be deemed to constitute an admission by either the Issuer or the County Commission to any third party other than the Authority that either the Issuer or the County Commission is liable for any tax, charge, fee, rate imposition or assessment.

Section 6.02. Liens. Subject to the provisions of Section 6.04 hereof relating to permitted contests, the County Commission will not create or permit to be created or remain and will, at its cost and expense, promptly discharge all liens, encumbrances and charges on the Facilities or any part thereof, other than Permitted Encumbrances.

Section 6.03. Compliance with Orders, Ordinances, Etc. Subject to the provisions of Section 6.04 hereof relating to permitted contests, the County Commission shall, throughout the term of this Lease, at its sole cost and expense, promptly comply in all material respects with all laws, codes, ordinances, orders, decrees, rules, regulations and requirements of duly constituted authorities which may be applicable to the Facilities or to the repair and alteration thereof, or to the use, manner of use or leasing of the Facilities. This Lease shall be amended by the parties hereto to the full extent necessary to ensure compliance with all such laws, codes, ordinances, orders, decrees, rules, regulations and requirements to enable the continued operation of the Facilities by the County Commission but not in any manner which would materially adversely affect or impair the obligations of the Issuer under the Ordinance, or materially adversely affect or impair the security interest of the Authority under the Ordinance, in the judgment of the Authority based upon an opinion of counsel.

Section 6.04. Permitted Contests. The County Commission shall not be required to pay any tax, charge, fee, rate, imposition or assessment referred to in Section 6.01 hereof, nor to remove any lien, charge or encumbrance required to be removed under Section 6.02 hereof, nor to comply with any law, code, ordinance, order, decree, rule, regulation or requirement referred to in Section 6.03 hereof, so long as the County Commission shall contest, in good faith and at its cost and expense, in its own name and behalf or in the name and behalf of the Issuer, the amount or validity thereof, in an appropriate manner or by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of, or other realization upon, the tax, charge, fee, rate, imposition, assessment, lien or encumbrance so contested, and the sale, forfeiture, or loss of the Facilities or any part or portion thereof, or of the rent or any portion thereof, to satisfy the same; provided, that no such contest shall subject the Issuer or the Authority to the risk of any liability. While any such matters are pending, the County Commission shall not pay, remove or cause to be discharged the tax, charge, fee, rate, imposition, assessment, lien or

encumbrance being contested unless the County Commission agrees to settle such contest. Each such contest shall be promptly prosecuted to final conclusion (subject to the right of the County Commission to settle any such contest), and in any event the County Commission will save the Issuer harmless against all losses, judgments, decrees and costs (including attorney's fees and expenses in connection therewith) and will, promptly after the final determination of such contest or settlement thereof, pay and discharge the amounts which shall be levied, assessed, imposed or determined to be payable therein, together with all penalties, fines, interest, costs and expenses thereon or in connection therewith. The County Commission shall give the Issuer and the Authority prompt written notice of any such contest and the Issuer agrees to cooperate with the County Commission, at the County Commission's cost and expense, in any such contest.

Notwithstanding any rights granted to the County Commission under the preceding paragraph of this Section 6.04, if the Authority or the Issuer shall notify the County Commission that, in the opinion of independent counsel, by nonpayment of any of the foregoing items, the lien of the Deed of Trust and Security Agreement as to any substantial part of the Facilities will be materially endangered or the Facilities or any part thereof will be subject to imminent loss or forfeiture or the rights or obligations of the Issuer under the Ordinance shall in any way be materially adversely affected or impaired, or the security interest of the Authority under the Deed of Trust and Security Agreement shall be materially or adversely affected or impaired, then the County Commission shall promptly, but in any event in not more than 5 days from receipt by the County Commission of such notification, pay all such unpaid items or cause them to be stayed, satisfied and discharged.

Section 6.05. Use of the Facilities. A. The County Commission will use the Facilities only as and for a public water distribution system or in furtherance of other lawful governmental purposes of the County Commission.

B. Subject to the terms of the O & M Agreement, the County Commission may sublease the Facilities or agree or contract for the performance by others of administration, management or operations on or in connection with the Facilities or any part or portion thereof, for any lawful purpose, provided that (i) each such sublease, agreement or contract shall not be inconsistent with, and will be subject to, the provisions of the Ordinance and this Lease; and (ii) any such sublease, agreement or contract shall have been approved in advance, in writing, by the Authority.

Section 6.06. Repairs, Maintenance and Alterations. The County Commission will, throughout the Lease Term, cause to be kept and maintained the Facilities in good condition and repair and not abandon the same, or any part or portion thereof, nor commit or permit the commission of waste on or in the Facilities, or any part or portion thereof, or permit any building, structure or improvement to be removed, destroyed, demolished or

structurally altered in whole or in part except as permitted herein and shall cause any person in possession of the Facilities or any portion thereof to comply with all laws, ordinances, rules and regulations relating to the use, leasing or maintenance of the Facilities and with all requirements, directions and orders and notices of violations thereof issued by any governmental agency, body or officer, and will make all necessary repairs thereto, structural and non-structural, ordinary as well as extraordinary and foreseen as well as unforeseen, and all necessary replacements or renewals. The County Commission intends to comply with the provisions hereof through the O & M Agreement.

The County Commission shall have the right from time to time at its sole cost and expense to make additions, alterations and changes (hereinafter collectively referred to as "alterations") in or to the Facilities, provided, however, that no alteration of any kind shall be made which would result in a violation of the provisions of Section 6.05 hereof.

With respect to any repairs, construction, restoration, replacement or alterations performed upon the Facilities by the County Commission through the PSD as its agent during the Lease Term, in accordance with or as required by any provisions hereof, the County Commission and PSD agree that:

(1) No work in connection therewith shall be undertaken until the County Commission or its agents shall have procured and paid for, so far as the same may be required, from time to time, all municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction, and the Issuer agrees to join in the application for such permits or authorizations whenever such action is necessary;

(2) All work in connection therewith shall be done promptly and in good workmanlike manner and in compliance with the building and zoning laws of the municipality or other governmental subdivision wherein the Facilities are situate, and with all laws, ordinance, orders, rules, regulations and requirements of all federal, state and municipal governments and the appropriate departments, commissions, boards and officers thereof, and shall not violate the provisions of any policy of insurance covering the Facilities, and the work shall be prosecuted with reasonable dispatch, unavoidable delays excepted; and

(3) Workers' compensation coverage for all persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against the Issuer or the County Commission, and general liability insurance (specifically covering this class of risk) for the

mutual benefit of the Issuer and the County Commission in such amounts as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure and as otherwise required or permitted by applicable law. The general liability insurance provided for in this paragraph may be effected by an appropriate endorsement, if obtainable, upon the insurance referred to in Section 6.09 hereof. All such insurance shall be effected with financially sound and reputable insurance companies qualified to do business in the State.

Section 6.07. Renewal and Replacement of Equipment. Subject to the terms of the Ordinance, in any instance where the County Commission in its sole discretion determines that any items of fixtures or equipment have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the County Commission may remove such items from the Facilities and sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability therefor, provided that such removal or substitution shall not impair the operating utility of the Facilities.

Section 6.08. Installation of Fixtures and Equipment by the County Commission. The County Commission may from time to time in its sole discretion and at its own cost and expense, install or place other fixtures or equipment and tangible personal property in the Facilities. The County Commission may remove such fixtures or equipment and tangible personal property at any time at its own cost and expense, whether or not the same shall have been affixed or annexed to the Facilities, but any damage caused to the Facilities by any such removal shall be restored at the sole cost and expense of the County Commission.

Section 6.09. Liability and Casualty Insurance. Provided that the O & M Agreement is no longer in effect, the Issuer shall procure and maintain, or cause to be procured and maintained, such insurance as is required under the Ordinance.

Section 6.10. Authority's Rights to Perform County Commission's Covenants; Advances. In the event the County Commission shall fail to (i) pay any tax, charge, assessment or imposition pursuant to Section 6.01 hereof, (ii) remove any lien, encumbrance, or charge pursuant to Section 6.02 hereof, (iii) maintain the Facilities in repair pursuant to Section 6.05 hereof, (iv) procure the insurance required by Section 6.09 hereof, or (v) fail to make any other payment (other than rent) or perform any other act required to be performed hereunder, then and in each such case the Authority may (but shall not be obligated to) remedy such default for the account of the County Commission and make advances for that purpose; provided that this clause shall not otherwise abate the obligations of the Issuer under the Ordinance with respect thereto. No such performance or advance shall operate to release the County Commission from any such default or constitute an acquiescence therein and any

sums so advanced by the Authority shall be repayable by the County Commission on demand and shall bear interest at the average weighted rate of interest on the Bonds, from the date of the advance until repaid. The Authority shall have the right of entry on the Facilities or any part or portion thereof at any reasonable time in order to effectuate the purposes of this Section 6.10.

Section 6.11. County Commission Shall Manage, Operate and Administer Facilities. This Lease is a "triple net lease" and the Issuer shall retain no rights with respect to the operation, management or administration of the Facilities. The County Commission shall have the sole right, subject to the terms of the Ordinance, the O & M Agreement and this Lease, during the term of this Lease, to operate, manage and administer the Facilities, including, but not limited to all decisions with respect to hiring and discharge of employees, subleasing or entering into contracts or agreements for the operation and maintenance of all or any portion of the Facilities, acquiring and selling of fixtures or equipment or additional property, adding, improving, renovating or removing portions of the Facilities and all other matters incidental to the operation, management and administration of the Facilities, and the County Commission shall further pay all Operating and Maintenance Expenses of the Facilities. Notwithstanding the foregoing, the County Commission may contract with the PSD or other entity to operate, manage and administer the Facilities under the O & M Agreement or a similar agreement.

Section 6.12. Permits, Etc. The Issuer and the County Commission hereby represent, warrant and covenant, all such representations and warranties to be applicable upon and following issuance of the Bonds and to be maintained until termination of this Lease, to the extent legally required, obtained or received and will obtain and receive and have and will keep in full force and effect, all consents, permits, licenses, approvals, certificates, exemptions, rights, orders, franchises, privileges and authorizations, all of which have been made and/or submit all declarations, filings, payments, reports, notices, statements, papers and registrations necessary to enter into and perform their respective obligations under and consummate the transactions contemplated in this Lease and all other documents, agreements, instruments and certificates in connection therewith, to lease, use and operate the Facilities and to impose rates and charges; and the Issuer has taken and will take all other action required in connection with this Lease, the consummation of the transactions contemplated herein and all other documents, agreements, instruments and certificates in connection herewith, the leasing, use and operation of the Facilities and the imposition of such rates and charges. The County Commission is and will remain in compliance with all applicable laws, rules and regulations relating to the Facilities.

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.01. Damage or Destruction. To the extent not provided for in the O & M Agreement, or in the event the O & M Agreement is no longer in effect, the Issuer agrees to notify the County Commission and the Authority immediately in the case of loss or damage covered by insurance required under Section 6.09(A) hereof and shall hold the proceeds from such insurance in an appropriately designated fund. Thereafter, the Issuer and the County Commission shall determine, in writing, within 60 days of the occurrence of such loss or damage whether it is practicable to repair, reconstruct or replace such damaged or destroyed property and the estimated time required for such repair, reconstruction or replacement. The Issuer may, with the consent of the County Commission, elect to apply the proceeds at its discretion to the repair, reconstruction or restoration of such damaged property or to redemption of the Bonds. In the event of such election the Issuer will promptly inform the County Commission and the Authority in writing of its decision not to rebuild and the Net Proceeds of such insurance shall be applied to prepayment of Rent hereunder and transferred to the Sinking Fund and the Bonds and the interest thereon shall become due and payable on the first interest payment date following receipt of such written notice and more than 60 days after such event. In the event that the Issuer elects to redeem Bonds following such damage or destruction, it shall pay, as Rent hereunder, any amounts required to effect such redemption which may not be available from the proceeds of such insurance. Notwithstanding any other provision in this Lease, the Ordinance or the Bonds, in the event that the Bonds or any part thereof are redeemed pursuant to this Section 7.01, no redemption premium or penalty shall be applicable. In the event that the Issuer elects to repair, reconstruct or replace the damaged property, the Issuer shall promptly proceed to repair, reconstruct and replace such part of the Facilities to its original condition as far as possible. The moneys required for such repair, reconstruction and replacement shall be paid from: (i) the Net Proceeds of insurance received by reason of such occurrence which Net Proceeds shall be deposited in a reconstruction fund; and (ii) to the extent such insurance proceeds are not sufficient, from moneys to be provided by the County Commission to the extent authorized by law and to the extent such moneys are lawfully available therefor. Notwithstanding the foregoing or anything herein to the contrary, the proceeds of any insurance award shall be invested, pending disbursement or use as provided in this Lease and the Ordinance in Permitted Investments, as then permitted by applicable law.

Section 7.02. Condemnation. A. Immediately after the commencement of any condemnation or similar proceedings by a third party in the exercise of a power of eminent domain, or a power in the nature of eminent domain which in any way affects the Facilities, the Issuer shall immediately notify the County Commission and the Authority in writing. The Net Proceeds of any condemnation award or other compensation paid by reason

of a conveyance in lieu of the exercise of such power, with respect to the Facilities or any part or portion thereof shall be held by the Issuer in an appropriately designated fund. The Issuer may, with the consent and agreement of the County Commission, within 60 days of receipt of such condemnation award or compensation, by written notice to the County Commission and the Authority, elect to have such Net Proceeds or other compensation applied to prepayment of Rent hereunder, in which event the Issuer shall transfer such proceeds to the Sinking Fund and apply the same to redemption of the Bonds and the County Commission shall pay any additional amount required to effect such redemption or the Issuer may, with the consent of the County Commission, elect to replace or restore the part or portion of the Facilities affected by such taking or conveyance, in which event the Issuer shall promptly proceed to replace or restore such part or portion of the Facilities, including any fixtures, equipment and effects, to its original usefulness and condition or a condition of at least an equivalent value immediately prior to such event, insofar as possible. The moneys required for such replacement or restoration shall be paid: (i) from the Net Proceeds of such condemnation award, or other compensation, which Net Proceeds or other compensation shall be held in a reconstruction fund with the Issuer and disbursed in accordance with a requisition procedure established by the Issuer in its reasonable discretion; and (ii) to the extent that such proceeds are not sufficient, from moneys to be provided by the County Commission, to the extent authorized by law and to the extent moneys are lawfully available therefor.

B. Notwithstanding the foregoing, the proceeds of any condemnation award or other compensation shall be invested, pending disbursement or use as provided herein in Permitted Investments, as then permitted by applicable law.

ARTICLE VIII

ADDITIONAL COVENANTS OF THE LESSEE AND OTHERWISE

Section 8.01. Maintenance of Existence. The County Commission agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

Section 8.02. RESERVED.

Section 8.03. Books and Records. The County Commission will keep books and records of the Facilities, which shall be separate and apart from all other books, records and accounts of the County Commission, in which complete and correct entries shall be made of all transactions relating to the Facilities, and any Registered Owner of a Bond or Bonds shall have the right at all reasonable times to inspect the Facilities and all parts or portions thereof and all records, accounts and data of the County Commission relating thereto.

The accounting system for the Facilities shall follow current generally accepted governmental accounting principles and safeguards to the extent allowed and as prescribed by applicable law. Separate control accounting records shall be maintained by the County Commission. 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 County Commission. The County Commission 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 County Commission shall be reported to such agent of the County Commission as the County Commission shall direct.

The County Commission shall, at least once a year, cause its books, records and accounts to be audited by independent certified public accountants (or in lieu thereof, the State Auditor of the State of West Virginia) and shall mail, upon request, and make available generally, the report of said independent certified public accountants to any Registered Owner of the Bonds and shall file said report with the Issuer and the Authority.

Section 8.04. No Representation by Issuer as to Condition or Suitability. The County Commission acknowledges (i) that the Issuer has acquired Title to the Site and that the Issuer has acquired, constructed and equipped the Facilities in accordance with the Construction Outline Specification, as supplied and modified by the County Commission, and that the County Commission has examined the Facilities and knows the condition thereof and under this Lease accepts the same in said condition, (ii) that the Issuer has made no warranty, either express or implied, as to the condition of the Facilities or any part or portion

thereof or that the Facilities will be suitable for the County Commission's purposes or needs, and (iii) that the County Commission in entering this Lease is relying solely upon its own knowledge of the Facilities.

Section 8.05. Liens and Encumbrances. The County Commission covenants that it will not, directly or indirectly, create, assume, incur or suffer to exist any mortgage, pledge, encumbrance, lien, security interest or charge of any kind upon the Facilities or upon any income, revenues, receipts or proceeds of the County Commission in respect of the Facilities except Permitted Encumbrances.

Section 8.06. County Commission Authorization. The County Commission covenants and warrants that it is duly authorized, under the Constitution and laws of the State and under all other applicable provisions of law, to execute and deliver this Lease, that all action on its part for the authorization of this Lease has been duly and effectually taken, that the Lease is and will be a valid and enforceable obligation of the County Commission in accordance with its terms and as herein set forth, and that the County Commission now has or will use its best efforts to obtain complete and lawful authority and privilege to maintain and operate the Facilities and that no consents, certificates, orders, permits, rights, franchises, registrations, licenses, exemptions, filings, approvals, authorizations, declarations or privileges of the County Commission, all of which are currently in full force and effect, will be allowed to lapse or be forfeited so long as the same shall be necessary for the operation and/or maintenance of the Facilities and that it will procure the extension or renewal of each and every permit, consent, certificate, order, right, franchise, registration, license, exemption, filing, declaration, approval, authorization or privilege so expiring and necessary or desirable for the operation and/or maintenance of the Facilities.

Section 8.07. Indemnity. To the fullest extent allowed by law, the County Commission will pay, and will protect, indemnify and save the Issuer harmless from and against any and all liabilities, losses, damages, costs and expenses (including attorneys fees and expenses of the Issuer), causes of actions, suits, claims, demands, actions, proceedings and judgments of any nature arising from or caused by:

(1) Any injury to or death of any person or damage of property in or upon the Facilities, or growing out of or connected with the use, nonuse, condition or occupancy of the Facilities or a part or portion thereof; any repairs, construction or alterations and remodeling thereto or the condition of the Facilities and any equipment or facilities at any time located on the Facilities or used in connection therewith;

(2) Violation of any agreement, warranty, covenant or condition hereof, except by the Issuer;

(3) Violation of any lease, contract, agreement or restriction by or upon the County Commission relating to the Facilities, which shall have existed at the commencement of the Lease Term, or which shall have been consented to by the Issuer and the Authority during the Lease Term; and

(4) Violation of any law, ordinance, regulation, franchise or court order affecting the Facilities or a part thereof or the ownership, occupancy or use thereof.

Section 8.08. Maintenance of Security Interests, Etc. The County Commission will execute all documents, agreements and instruments, including, without limitation, financing statements provided for by the Uniform Commercial Code of the State, deemed necessary or advisable in the opinion of Bond Counsel or counsel to the Authority for perfection of and continuance of the perfection of the liens, pledges and security interests created by this Lease or the Ordinance. However, all obligations of the County Commission under this Section 8.08 are subject to the condition that the Issuer shall execute all documents, agreements and instruments, including without limitation all such financing statements, required of it in the opinion of Bond Counsel or counsel to the Authority, and will file and record all such documents, agreements and instruments executed by the County Commission and the Issuer, or cause them to be filed and recorded, and shall continue the security interests, pledges and liens of all such documents, agreements and instruments by appropriate refiling and re-recording as specified in the opinion of independent counsel, or cause them to be so continued, for as long as any Bonds shall remain outstanding.

Section 8.09. Granting of Easements. If no Event of Default under this Lease shall have happened and be continuing, the Issuer may, at the request of the County Commission, at any time or times (i) grant easements, licenses, rights of way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Facilities, free from the lien of the Deed of Trust and Security Agreement, or (ii) release existing easements, licenses, rights of way and other rights or privileges with respect to any property included in the Facilities, all with or without consideration and upon such terms and conditions as the County Commission shall determine, and the Issuer agrees that it will execute and deliver and will cause and direct the Authority to execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangements, upon receipt by the Issuer and the Authority of: (i) a copy of the instrument of grant or release or of the agreement or other arrangement, (ii) a written application signed by an authorized officer of the entity requesting such instrument, (iii) a certificate executed by an Authorized Representative of the County Commission stating that such grant or release is not detrimental to the use of the Facilities as intended, and

(iv) other evidence satisfactory to the Authority that action will not materially adversely affect the value of the Facilities. Any such easement or right and the rights of such other parties thereunder shall not be affected by any termination of this Lease or default on the part of the County Commission hereunder and shall be subject to the approval of the Authority. If no Event of Default shall have happened and be continuing, any payments or other consideration received by the County Commission for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the County Commission but, in the event of the termination of this Lease or default of the County Commission, all rights then existing of the County Commission with respect to or under such grant shall inure to the benefit of and be exercisable by the Issuer and the Authority. No conveyance or release effected under the provisions of this Section shall entitle the County Commission to any abatement or diminution of the Rent payable hereunder.

Section 8.10. Additional Tax Covenants. The County Commission hereby further covenants and agrees as follows:

A. FEDERAL GUARANTEE PROHIBITION. The County Commission 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 and Regulations promulgated thereunder.

B. ADDITIONAL ACTION. The County Commission will take all actions that may be required of it so that the interest on the obligations issued by the Authority, the proceeds of which were used to purchase the Bonds, will be and remain excluded from gross income for Federal income tax purposes, and will not take any actions or fail to take any actions the result of which would adversely affect such exclusion.

Section 8.11. Continued Operation of Facilities. In the event the County Commission gives notice to the Issuer and the Authority of its election to exercise its option to terminate this Lease at the end of the then current Fiscal Year as provided in Section 5.01 hereof, the Issuer and the County Commission covenant and agree to use their best efforts to assign this Lease or sublease the Facilities or otherwise cause the Facilities to be operated or managed as a revenue-producing facility on substantially the same basis as provided in this Lease; provided, however, that no such assignment, sublease or management or operating agreement or contract shall be entered into without the prior written consent of the Authority.

ARTICLE IX

COVENANTS OF THE ISSUER

Section 9.01. Restriction on Sale, Etc. The Issuer and the County Commission acknowledge and agree that the Rent payable under this Lease is assigned to the Authority as security for the Bonds issued under the Ordinance and that the Issuer has entered into certain covenants with the Authority in the Ordinance which may affect the Facilities and this Lease in the event of default hereunder. The Issuer agrees that it will not, except as contemplated herein and in the Ordinance, enter into any other contract or agreement affecting this Lease, the Rent payable hereunder or the Facilities in any way or assign the same as security for any other obligations of the Issuer without the prior written consent of the County Commission and the Authority.

Section 9.02. Redemption of Bonds. If the County Commission is not in default hereunder and if the moneys in the Revenue Fund are sufficient to effect such redemption, the Issuer, at the request at anytime of the County Commission and if the then outstanding Bonds are then callable as provided in the Ordinance, shall forthwith take all steps that may be necessary under the applicable redemption provisions of the Ordinance to effect redemption of all or part of the then outstanding Bonds, as may be specified by the County Commission, on the earliest redemption date on which such redemption may be made under such applicable provisions.

Section 9.03. Nature of Issuer's Covenants. The County Commission acknowledges and agrees that any obligation of the Issuer created by or arising out of this Lease shall be payable solely out of the proceeds derived from the Lease, the sale of the Bonds and any insurance and condemnation award received by the Issuer pursuant hereto. The foregoing limitation shall not, however, preclude the County Commission from seeking injunctive relief in any court to compel the Issuer to perform any such obligation.

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES THEREFOR

Section 10.01. Events of Default Defined. The following shall be "Events of Default" under this Lease and the terms Event of Default or Default shall mean any one or more of the following events:

(A) Failure of the County Commission and/or the Issuer to perform any other covenant, condition or provision hereof and to remedy such failure within 30 days after notice thereof from the Issuer or the Authority to the County Commission or from the Authority to the Issuer, as the case may be; or

(B) If any representation or warranty made by the County Commission in any statement or certificate furnished to the Issuer or the Authority in connection with the sale of the Bonds or furnished by the County Commission pursuant hereto proves untrue in any material respect as of the date of the issuance or making thereof and shall not be made good within 30 days after notice thereof to the County Commission by the Issuer; or

(C) If the County Commission admits insolvency or bankruptcy or its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee or receiver for the County Commission, or for any part of its property; or

(D) If a trustee or receiver is appointed for the County Commission or for any part of its property and is not discharged within 60 days after such appointment; or

(E) If bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other proceedings for relief under any bankruptcy law or similar law for the relief of debtors are instituted by or against the County Commission, and if instituted against the County Commission are allowed against the County Commission or are consented to or are not dismissed, stayed or otherwise nullified within 60 days after such institution; or

(F) If there shall occur an "Event of Default" under the Ordinance.

Section 10.02. Remedies on Default. If any Event of Default shall occur and be continuing, the Issuer may, at its option and with the consent of the Authority, exercise any one or more of the following remedies:

(A) The Issuer may terminate this Lease by giving to the County Commission notice of the Issuer's intention so to do, in which event the Lease Term shall end, and all right, title and interest of the County Commission hereunder shall expire, on the date stated in such notice, which shall not be less than 10 days after the date of the notice by the Issuer of its intention so to terminate; or

(B) The Issuer may terminate the right of the County Commission to possession of the Facilities or any portion thereof by giving notice to the County Commission that the County Commission's right of possession shall end on the date stated in such notice, which shall not be less than 10 days after the date of notice by the Issuer of its intention so to terminate; or

(C) The Issuer may enforce the provisions of this Lease and may enforce and protect the right of the Issuer hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy; or

(D) The Issuer may accelerate and declare all future Rent hereunder to be immediately due and payable; provided, however, that Rent payable as interest on the Bonds upon any such acceleration shall be limited to the interest due on the Bonds until payment of the Bonds and the interest thereon in full; or

(E) The Issuer may, upon written notice to the County Commission, revoke or rescind any and all rights and options of the County Commission hereunder.

Section 10.03. Right of Re-Entry. If an Event of Default shall occur, the Issuer may then or at any time thereafter re-enter and take complete and peaceful possession of the Facilities or any portion thereof, with or without process of law, and may remove all persons therefrom, and the County Commission covenants that, in any such event it will peacefully and quietly yield up and surrender the Facilities and any part or portion thereof to the Issuer.

Section 10.04. Right to Sublet or Relet. If the Issuer terminates the County Commission's right of possession pursuant to subparagraph (B) of Section 10.02, the Issuer

may re-enter the Facilities or any part or portion thereof and take possession of all or any part or portion thereof (including any and all equipment and apparatus thereon), may remove any portion of the equipment, machinery or apparatus thereon not subject to a conditional sale agreement, equipment lease, or lease purchase agreement in favor of third parties, which the Issuer elects so to do, and may sublet or relet the Facilities or any part or portion thereof from time to time for all or any part of the unexpired part of the then Lease Term or for a longer period, and the Issuer may collect the rents from such reletting or subletting and apply the same, first, to the payment of the expense of re-entry and reletting, and second, to the payment of the Rent payable hereunder and in the event that the proceeds from such reletting and subletting are not sufficient to pay in full the foregoing, the County Commission shall, subject to the County Commission's option to terminate this Lease at the end of the then current Fiscal Year pursuant to Section 5.01 hereof, remain and be liable therefor, and the County Commission promises and agrees to pay the amount of any such deficiency from time to time and the Issuer may at any time and from time to time sue and recover judgment for any such deficiency or deficiencies.

Section 10.05. RESERVED.

Section 10.06. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Section 10.07. Agreement to Pay Attorneys' Fees and Expenses. In the event the County Commission should default under any of the provisions of this Lease and the Issuer or the Authority should employ attorneys or incur other expenses for the collection of Rent or the enforcement of performance or observance of any obligation or agreement on the part of the County Commission herein contained, the County Commission agrees that it will on demand therefor pay to the Issuer or the Authority the reasonable fees of such attorneys and such other expenses so incurred by the Issuer or the Authority.

Section 10.08. No Additional Waiver Implied by One Waiver. In the event the breach of any agreement contained herein should be waived by either party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.09. Waiver of Stay or Extension Laws. The County Commission covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Lease or the Ordinance; and the County Commission (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Issuer or the Authority, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 10.10. Remedies to be Performed by Registered Owner. Notwithstanding any provision in this Article X to the contrary, only the Registered Owner of the Bonds shall have any right to effect any remedy hereunder. The Issuer shall cooperate fully with the Bondholders in performing or effecting any such remedy but shall not have any right to independently effect or perform the same.

ARTICLE XI

GENERAL

Section 11.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, with proper address as indicated below. The Issuer, the County Commission and the Authority may, by written notice given by each to the others, designate any address or addresses to which notices, certificates or other communications to them shall be sent when required as contemplated hereby. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

ISSUER:

Pleasants County Development Authority
P.O. Box 339
St. Marys, West Virginia 26170
Attention: President

COUNTY COMMISSION:

The County Commission of Pleasants County
301 Court Lane
St. Marys, West Virginia 26170
Attention: President

PSD:

Pleasants County Public Service District
P.O. Box 369
St. Marys, West Virginia 26170
Attention: Chairman

AUTHORITY:

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1571

Section 11.02. Assignment of Lease. The County Commission shall not, without the prior written consent of the Issuer and the Authority, assign this Lease or any portion hereof, subject however, to the provisions of Section 8.11 hereof and the following sentence. Simultaneously with the delivery hereof, this Lease has been assigned by the Issuer, pursuant to and by the Deed of Trust and Security Agreement, to the Authority and the County Commission consents to such assignment by the Issuer to the Authority.

Section 11.03. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Issuer and the County Commission and their respective successors and permitted assigns.

Section 11.04. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.05. Amendments, Changes and Modifications. Except as otherwise provided in this Lease and in the Ordinance, but only with the written consent of the Authority subsequent to the issuance of the Bonds and before the Ordinance is satisfied and discharged in accordance with its terms, this Lease may not be effectively amended, changed, modified, altered or terminated nor may any provision be waived hereunder.

Section 11.06. Survival. All covenants, representations or warranties contained herein or in any certificates delivered pursuant hereto, shall survive delivery and termination of this Lease and payment of the Bonds.

Section 11.07. Execution Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.08. Entire Lease. Unless herein specified, this Lease constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the Issuer and the County Commission with respect to the subject matter hereof.

Section 11.09. Governing Law, Choice of Venue. This Lease shall be governed and construed in accordance with the laws of the State of West Virginia without giving effect to the conflicts-of-law principles thereof. All actions brought in connection with this Lease shall be brought in the Circuit Court of Pleasants County, West Virginia.

Section 11.10. Titles, Headings, Etc. The titles and headings of the articles, sections, and subdivisions of this Lease have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof.

[Lease Signature Page]

IN WITNESS WHEREOF, the PLEASANTS COUNTY DEVELOPMENT AUTHORITY and THE COUNTY COMMISSION OF PLEASANTS COUNTY have caused this Lease to be executed in their respective corporate names, and have caused their corporate seals to be hereunto affixed and attested by their respective officers thereunto duly authorized, all as of the date first above written.

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

[SEAL]

By _____
President

ATTEST:

_____
Secretary

THE COUNTY COMMISSION OF PLEASANTS COUNTY

[SEAL]

By _____
President

ATTEST:

_____
Clerk

The foregoing instrument was prepared by Samme L. Gee, State Bar No. 1363 of Jackson Kelly PLLC, Attorneys, 1600 Laidley Tower, Charleston, West Virginia, 25301.

{C1445026.4}

[Lease Acknowledgment Page]

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, TO-WIT:

The foregoing instrument was acknowledged before me this 24th day of May, 2010, by F. Michael Nelson, President of the PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public agency and county development authority, on behalf of such public agency and county development authority.

My commission expires: April 6, 2014.

[NOTARIAL SEAL]

Notary Public

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, TO-WIT:

The foregoing instrument was acknowledged before me this 19th day of M, 2010, by Larry Barnhart, President of THE COUNTY COMMISSION OF PLEASANTS COUNTY, a political subdivision of the State of West Virginia, on behalf of such political subdivision of the State of West Virginia.

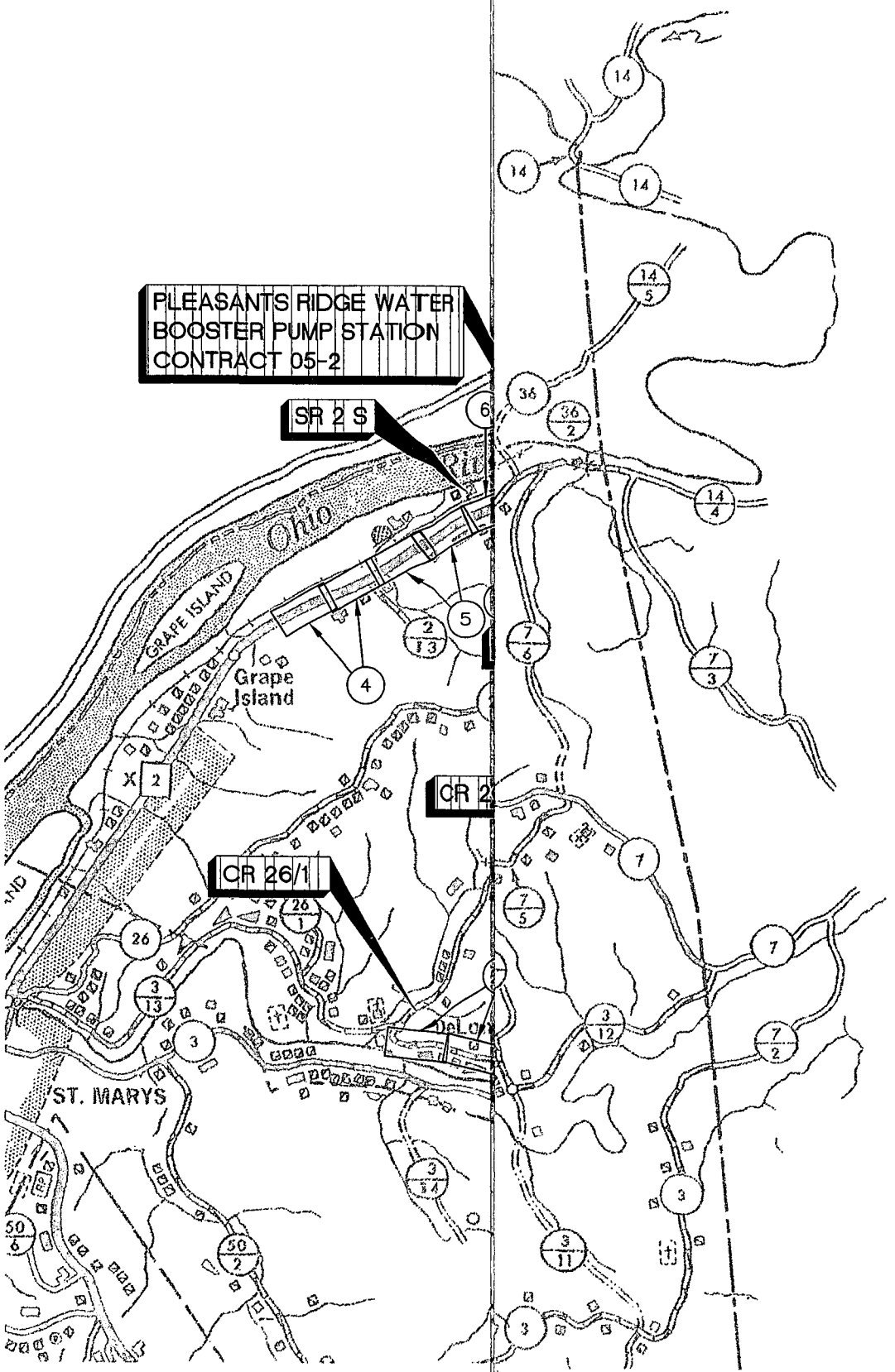
My commission expires: April 6, 2014.

[NOTARIAL SEAL]

Notary Public

{C1445026.4}

EXHIBIT A - WATERLINE EXTENSIONS



NO.	REVISIONS	DATE	BY	CHK.

Burgess & Niple, Inc. Parkersburg, WV

INDEX MAP

SCALE: NONE

SHEET NO. 2 OF 39

PLOTTED: 6/4/2010 8:55:59 AM

P:\PR34713\cadd\Contract 04-1\INDXMAP.dwg 3/11/2010 8:53:14 PM Owen, Jonathan

BOOK 279 PAGE 406

EXHIBIT B - REAL PROPERTY DESCRIPTION

PROPERTY DESCRIPTION

FOR

PLEASANT RIDGE TANK SITE (PART OF UNION TM 6, PCL 14)

(MARCH 2, 2009 REVISED TAX DISTRICT)

SITUATE IN AND BEING A PART OF UNION DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE JAMES ELDER 3.361 ACRE TRACT, DEED BOOK 250, PAGE 428 AND THE RODNEY PETHTEL 30.00 ACRE TRACT, DEED BOOK 242, PAGE 467, WHERE THE NORTHWEST CORNER OF THE ELDER TRACT BEARS N 16° *16' 45" W 462.10 FEET.*

THENCE S 16° 16' 45" E 100.00 FEET WITH THE COMMON LINE BETWEEN THE PETHTEL TRACT AND THE ELDER TRACT TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 73° 43' 15" W 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 16° 16' 45" W 100.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 73° 43' 15" E 50.00 FEET TO THE PLACE OF BEGINNING.

CONTAINING 0.115 ACRES AND BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO RODNEY PETHTEL IN DEED BOOK 242, PAGE 467.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 19, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS LICENSED 1241 STATE OF WEST VIRGINIA

NELSON B. DOUGLASS
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
1-304-485-4258 FAX
Email wda1@charter.net

EXHIBIT
A

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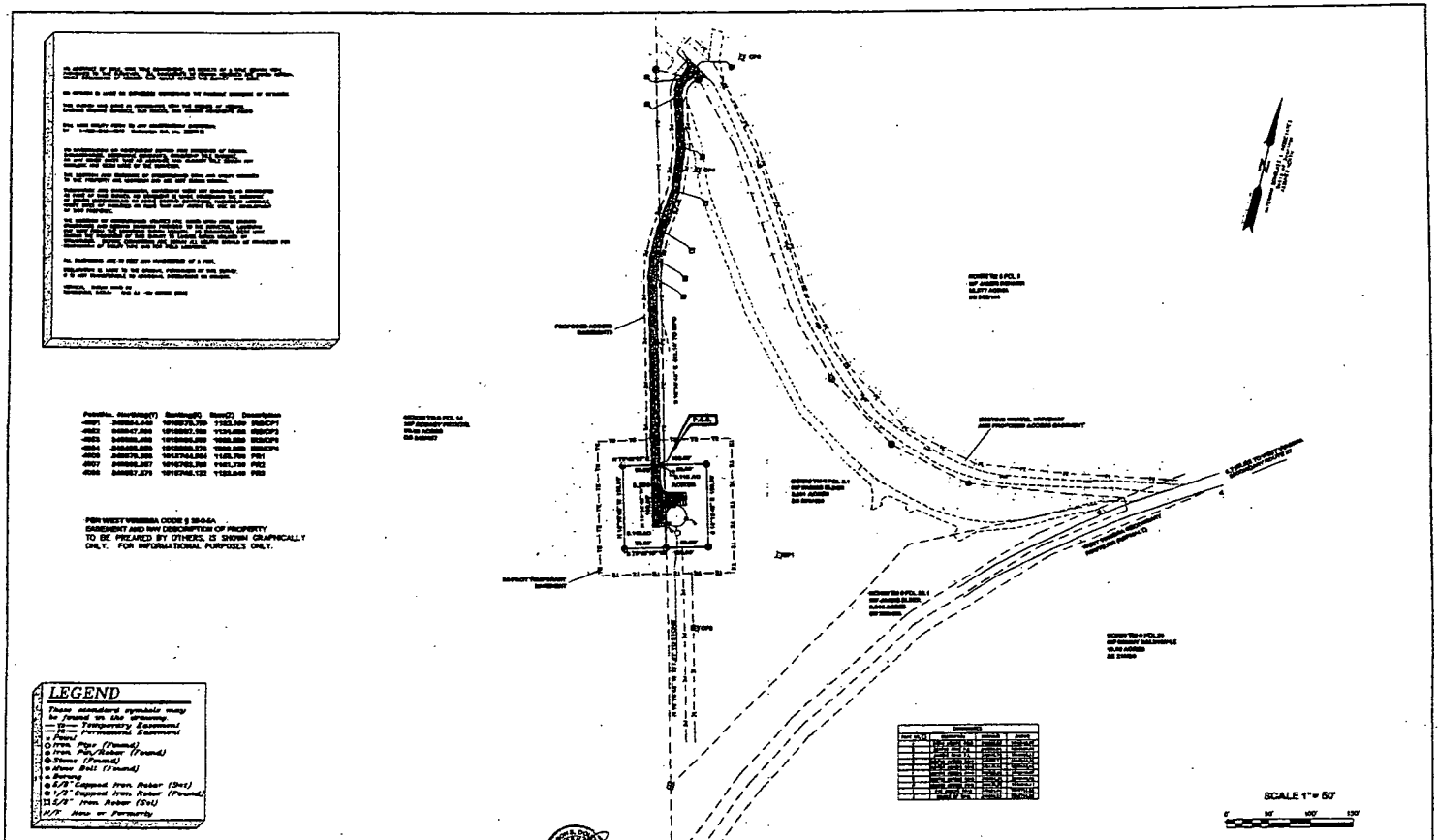


REV.	DATE	COMMENT
0	8/3/05	ISSUE
1	7/12/06	ADDITIONAL AREA
2	12/19/06	FINAL PLAT & CONTROL POINTS

Nelson S. Douglass [illegible]; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
558 Rosemar Road - P. O. Box 126
Parkersburg, WV 26102-0126
1-304-428-5715 1-304-485-4258 Fax wda1@charter.net

MCKIM DISTRICT
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 6, PARCEL 3.1
TAX MAP 6, PARCEL 14

BOUNDARY SURVEY OF THE
PLEASANTS RIDGE TANK SITE
FOR PLEASANTS COUNTY P.S.D.

PROJECT NO. [illegible]

Date: 07/12/2006 Revised 12/19/2006 SHEET 1 OF 1

EXHIBIT
B

PROPERTY DESCRIPTION

FOR

PLEASANT RIDGE TANK SITE (PART OF ~~MCKIM~~ UNION TM 6, PCL 3.1)

SITUATE IN AND BEING A PART OF MCKIM DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE JAMES ELDER 3.361 ACRE TRACT, DEED BOOK 250, PAGE 428 AND THE RODNEY PETHTEL 30.00 ACRE TRACT, DEED BOOK 242, PAGE 467, WHERE THE NORTHWEST CORNER OF THE ELDER TRACT BEARS N 16° *16' 45" W 462.10 FEET.*

THENCE N 73° 43' 15" E 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 16° 16' 45" E 100.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 73° 43' 15" W 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE PETHTEL TRACT AND THE ELDER TRACT;

THENCE N 16° 16' 45" W 100.00 FEET WITH THE COMMON LINE BETWEEN THE PETHTEL TRACT AND THE ELDER TRACT TO THE PLACE OF BEGINNING.

CONTAINING 0.115 ACRES AND BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO JAMES ELDER IN DEED BOOK 250, PAGE 428.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 19, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS LICENSED 1241 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

NELSON B. DOUGLASS
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
1-304-485-4258 FAX
Email wda1@charter.net

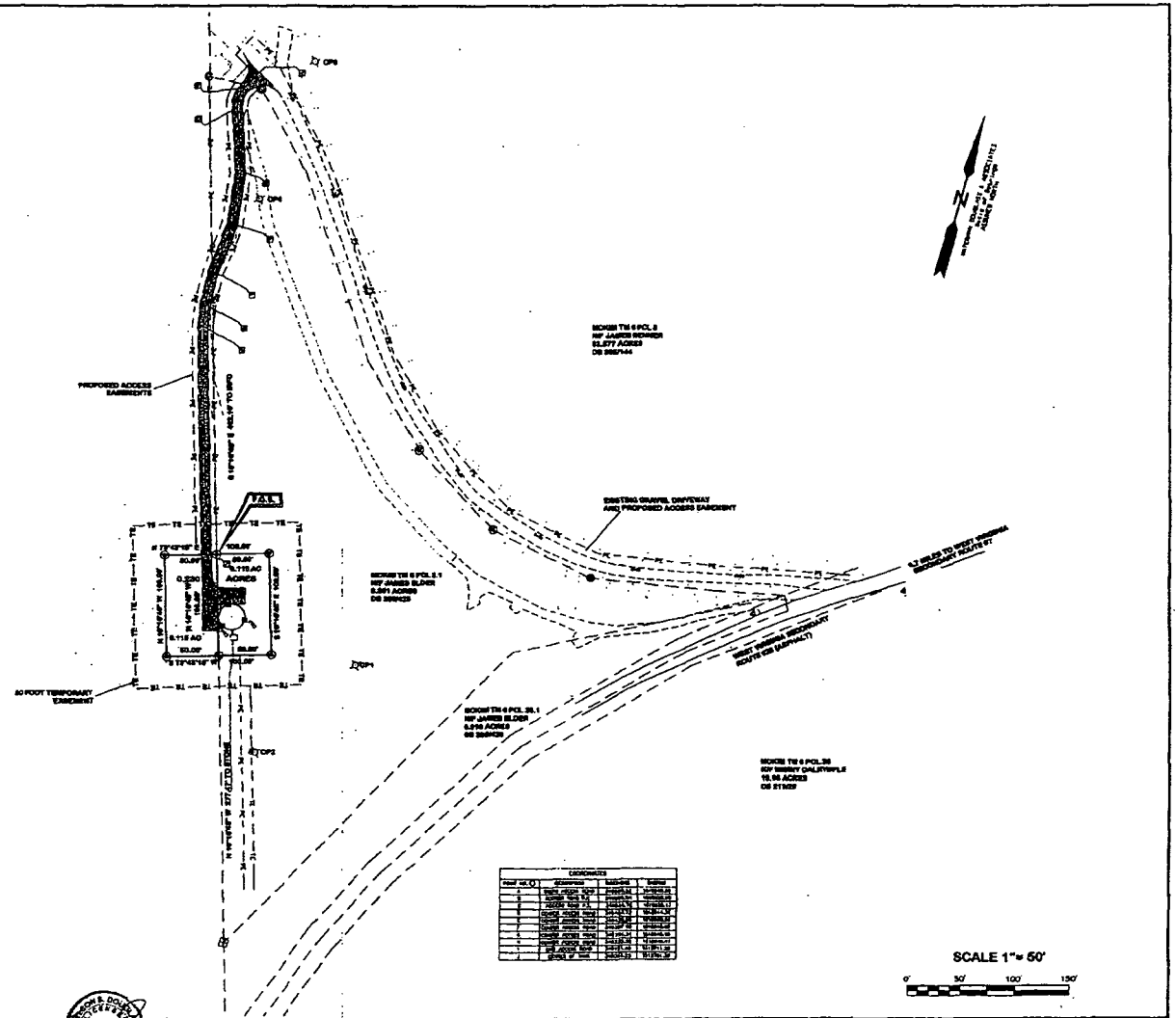
PointNo.	Northing(Y)	Easting(X)	Elev(Z)	Description
4001	349054.440	1618678.790	1132.180	IR3/CP1
4002	348947.080	1618687.100	1131.808	IR3/CP2
4003	348996.480	1618666.980	1068.629	IR3/CP3
4004	349066.560	1618669.370	1069.880	IR3/CP4
4005	348979.828	1618744.954	1133.700	PR1
4007	349063.367	1618763.798	1131.790	PR2
4006	348967.878	1618748.132	1152.040	PR3

PER WEST VIRGINIA CODE § 36-3-5A
EASEMENT AND NW DESCRIPTION OF PROPERTY
TO BE PREPARED BY OTHERS, IS SHOWN GRAPHICALLY
ONLY. FOR INFORMATIONAL PURPOSES ONLY.

LEGEND

These standard symbols may be found in the drawing.

- — TE — Temporary Easement
- — PE — Permanent Easement
- Point
- Iron Pipe (Found)
- Iron Pin/Rebar (Found)
- Stone (Found)
- Stone Ball (Found)
- Boring
- 5/8" Capped Iron Rebar (Set)
- 1/2" Capped Iron Rebar (Found)
- 5/8" Iron Rebar (Set)
- N/F Now or Formerly



REV.	DATE	COMMENT
0	6/3/05	ISSUE
1	7/12/06	ADDITIONAL AREA
2	12/19/06	FINAL PLAT & CONTROL POINTS

Nelson B. Douglass Professional Surveyor; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 126
Parkersburg, WV 26102-0126
1-304-428-5715 1-304-485-4258 Fax wda1@charter.net

Union DISTRICT
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 6, PARCEL 3.1
TAX MAP 6, PARCEL 14

BOUNDARY SURVEY OF THE
PLEASANTS RIDGE TANK SITE
FOR PLEASANTS COUNTY P.S.D.

PROJECT NO. 2006-0107

Date: 07/12/2006 Revised 12/19/2006 SHEET 1 OF 1

BOOK 279 PAGE 411

PROPERTY DESCRIPTION
FOR
PLEASANT RIDGE BOOSTER STATION SITE (BARNHART TRACT)

SITUATE IN AND BEING A PART OF UNION DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE NETTIE BARNHART 2.93 ACRE TRACT, DEED BOOK 258, PAGE 308, AND THE PAUL MARTIN 1.5 ACRE TRACT, DEED BOOK 156, PAGE 524, WHERE THE SOUTHEAST CORNER OF THE RAVEN ROCK UNITED METHODIST CHURCH TRACT BEARS N 32° *12' 06" W 51.24 FEET;*

THENCE S 32° 12' 06" E 53.69 FEET WITH THE COMMON LINE BETWEEN THE MARTIN TRACT AND THE BARNHART TRACT TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 36° 25' 49" W 4.97 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 53° 34' 11" W 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 36° 25' 49" E 24.53 FEET TO THE PLACE OF BEGINNING;

CONTAINING 0.017 ACRES, BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO NETTIE BARNHART IN DEED BOOK 258, PAGE 308.

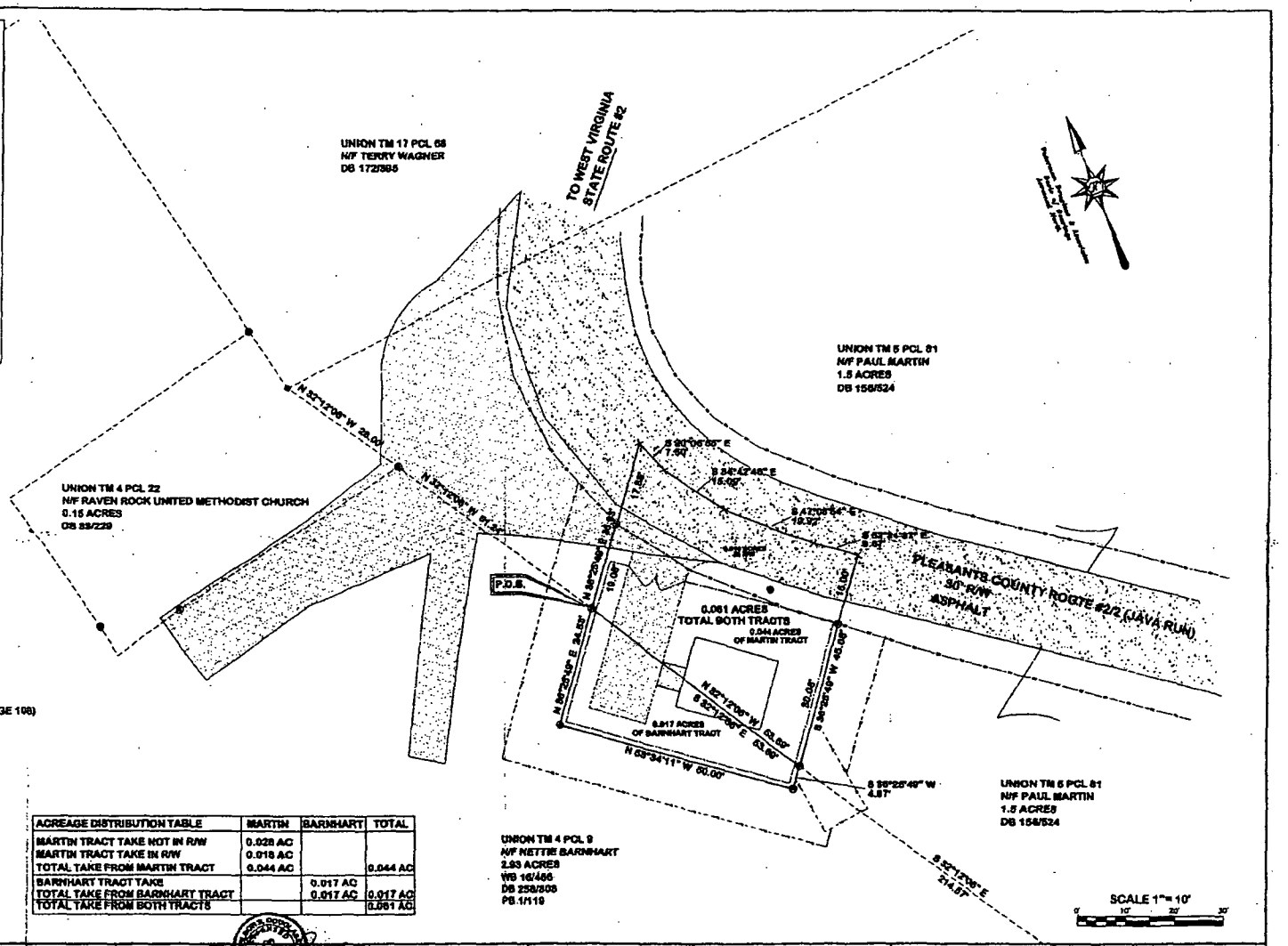
SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 29, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS,
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
1-304-485-4258 FAX
Email wda1@charter.net



REFERENCES:
JOSHUA E. MOODY PLAT OF RAVEN ROCK CHURCH
DRAWING RAVEN529 DATED 06/05/02
G.R. CLARK PLAT DATED 02/26/50 (PLAT BOOK 1, PAGE 119)
SCOTT STEWART PLAT DATED 05/18/95 (DEED BOOK 234, PAGE 198)

LEGEND

These standard symbols may be found in the drawing.
Temporary Easement
Permanent Easement
Point
Iron Pipe (Found)
Iron Pin/Rebar (Found)
Stone (Found)
Wire Bell (Found)
Spring
5/8" Capped Iron Rebar (Set)
1/2" Capped Iron Rebar (Found)
5/8" Iron Rebar (Set)
N/F New or Formerly

ACREAGE DISTRIBUTION TABLE	MARTIN	BARNHART	TOTAL
MARTIN TRACT TAKE NOT IN R/W	0.028 AC		
MARTIN TRACT TAKE IN R/W	0.016 AC		
TOTAL TAKE FROM MARTIN TRACT	0.044 AC		0.044 AC
BARNHART TRACT TAKE		0.017 AC	
TOTAL TAKE FROM BARNHART TRACT		0.017 AC	0.017 AC
TOTAL TAKE FROM BOTH TRACTS			0.061 AC

REV.	DATE	COMMENT
0	08/03/06	ISSUE
1	12/29/06	FINAL PLAT

Nelson B. Douglass, Registered Surveyor OH; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 126
Parkersburg, WV 26102-0126
1-304-428-5715 1-304-485-4258 Fax wda1@charter.net

UNION DISTRICT
RAVEN ROCK
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 4, PARCEL 9
TAX MAP 5, PARCEL 81

BOUNDARY SURVEY OF:
PLEASANT RIDGE BOOSTER STATION SITE
JAVA RUN

PROJECT NO. 2006-0108

Date: 08/03/2006 Revised: 12/29/06 SHEET 1 OF 1

PROPERTY DESCRIPTION
FOR
PLEASANT RIDGE BOOSTER STATION SITE (MARTIN TRACT)

SITUATE IN AND BEING A PART OF UNION DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE NETTIE BARNHART 2.93 ACRE TRACT, DEED BOOK 258, PAGE 308, AND THE PAUL MARTIN 1.5 ACRE TRACT, DEED BOOK 156, PAGE 524, WHERE THE SOUTHEAST CORNER OF THE RAVEN ROCK UNITED METHODIST CHURCH TRACT BEARS N 32° *12' 06" W 51.24 FEET;*

THENCE N 36° 25' 49" E 36.93 FEET TO A POINT IN THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2, PASSING A 5/8" CAPPED IRON REBAR (SET) AT 19.08 FEET;

THENCE S 20° 06' 55" E 7.50 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 34° 42' 46" E 15.09 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 47° 08' 54" E 19.92 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 52° 31' 37" E 9.67 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 36° 25' 49" W 45.08 FEET LEAVING THE ROAD TO A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE MARTIN TRACT AND THE BARNHART TRACT, PASSING A 5/8" CAPPED IRON REBAR (SET) AT 15.00 FEET;

THENCE N 32° 12' 06" W 53.69 FEET WITH THE COMMON LINE BETWEEN THE MARTIN TRACT AND THE BARNHART TRACT TO THE PLACE OF BEGINNING.

CONTAINING 0.044 ACRES, INCLUDING 0.018 ACRES IN THE PLEASANTS COUNTY ROUTE #2/2 RIGHT OF WAY, AND BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO PAUL MARTIN IN DEED BOOK 156, PAGE 524.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 29, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS,
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
1-304-485-4258 FAX
Email wda1@charter.net

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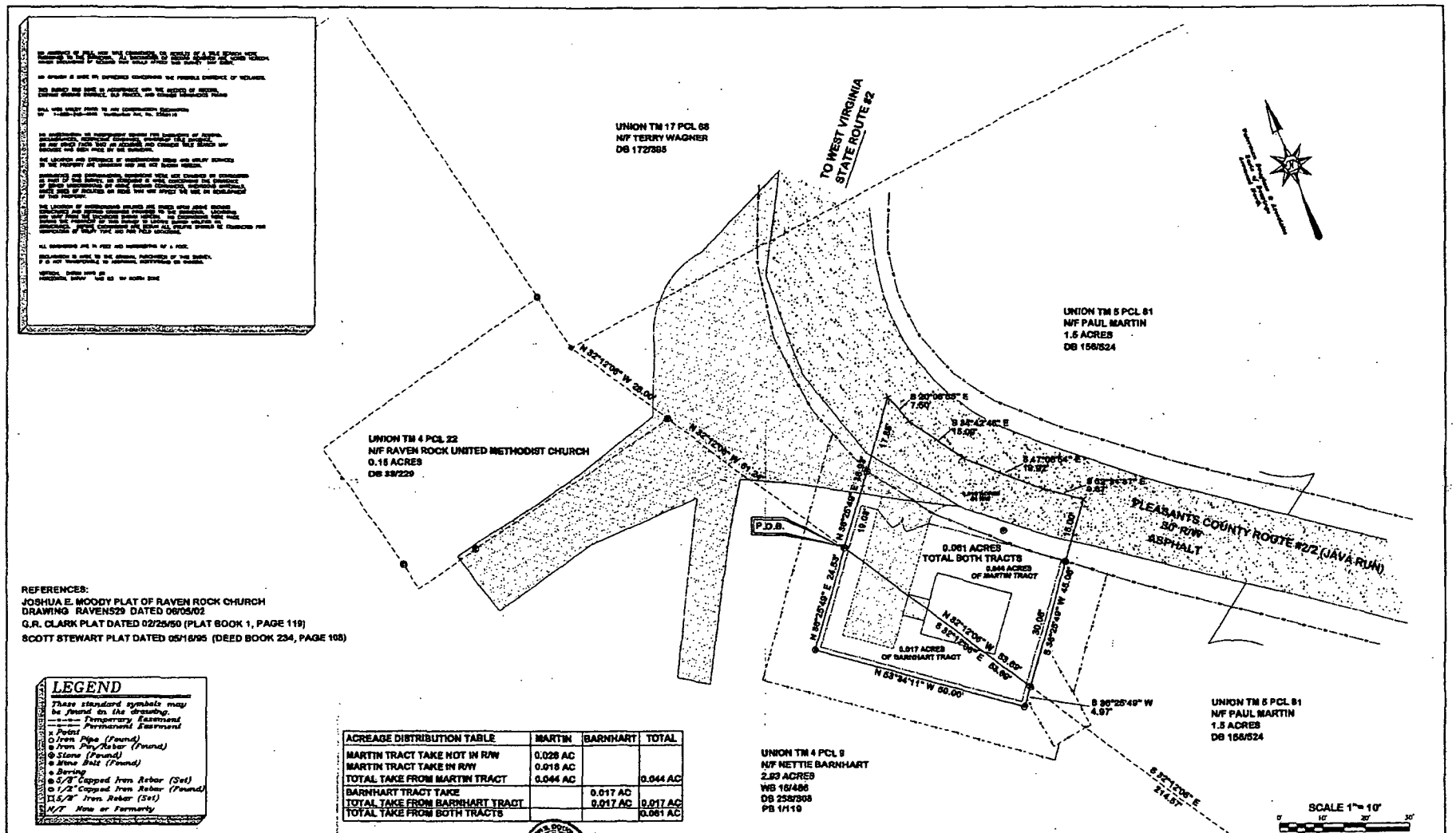
Last printed 1/2/2007 9:04 AM



REFERENCES:
JOSHUA E. MOODY PLAT OF RAVEN ROCK CHURCH
DRAWING RAVEN529 DATED 06/05/02
G.R. CLARK PLAT DATED 02/25/50 (PLAT BOOK 1, PAGE 119)
SCOTT STEWART PLAT DATED 05/16/95 (DEED BOOK 234, PAGE 108)

LEGEND

These standard symbols may be found in the drawing.
- Temporary Easement
- Permanent Easement
- x Point
- ○ Iron Pipe (Found)
- ● Iron Pin/Rebar (Found)
- ◈ Stone (Found)
- ● Mine Bolt (Found)
- ◆ Boring
- ● 5/8" Capped Iron Rebar (Set)
- ○ 1/2" Capped Iron Rebar (Found)
- □ 5/8" Iron Rebar (Set)
- N/F Now or Formerly

ACREAGE DISTRIBUTION TABLE	MARTIN	BARNHART	TOTAL
MARTIN TRACT TAKE NOT IN R/W	0.026 AC		
MARTIN TRACT TAKE IN R/W	0.018 AC		
TOTAL TAKE FROM MARTIN TRACT	0.044 AC		0.044 AC
BARNHART TRACT TAKE		0.017 AC	
TOTAL TAKE FROM BARNHART TRACT		0.017 AC	0.017 AC
TOTAL TAKE FROM BOTH TRACTS			0.061 AC

REV.	DATE	COMMENT
0	08/03/05	ISSUE
1	12/29/06	FINAL PLAT

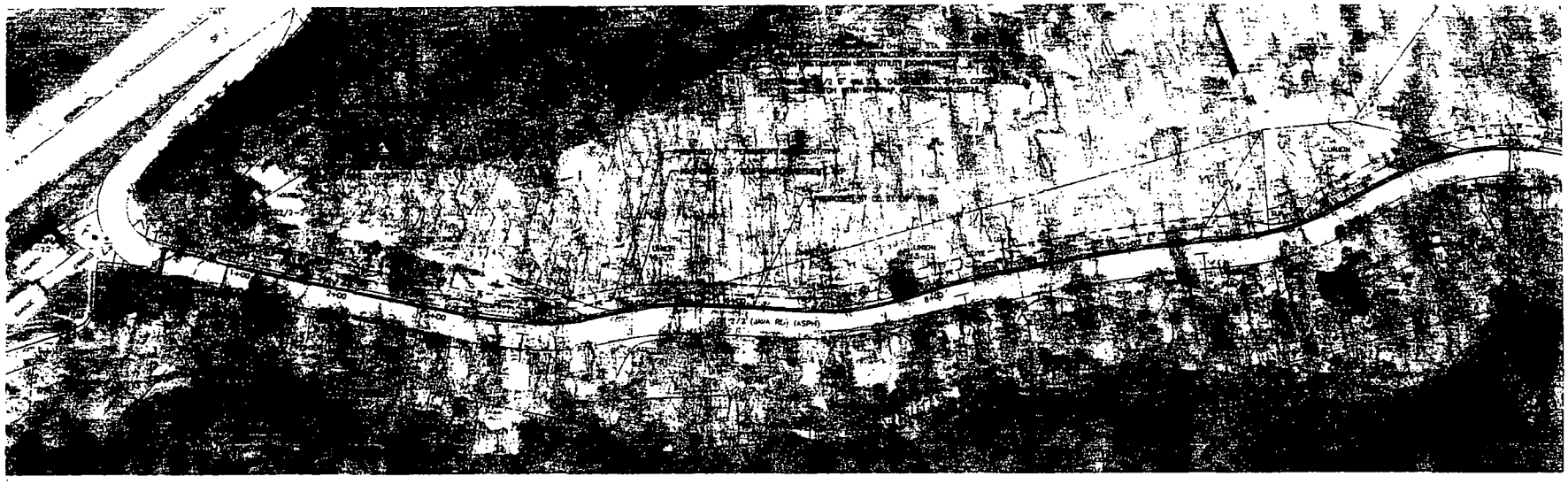
Nelson B. Douglass, P.S. #1230 OH; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 126
Parkersburg, WV 26102-0126
1-304-428-5715 1-304-485-4258 Fax wda1@charter.net

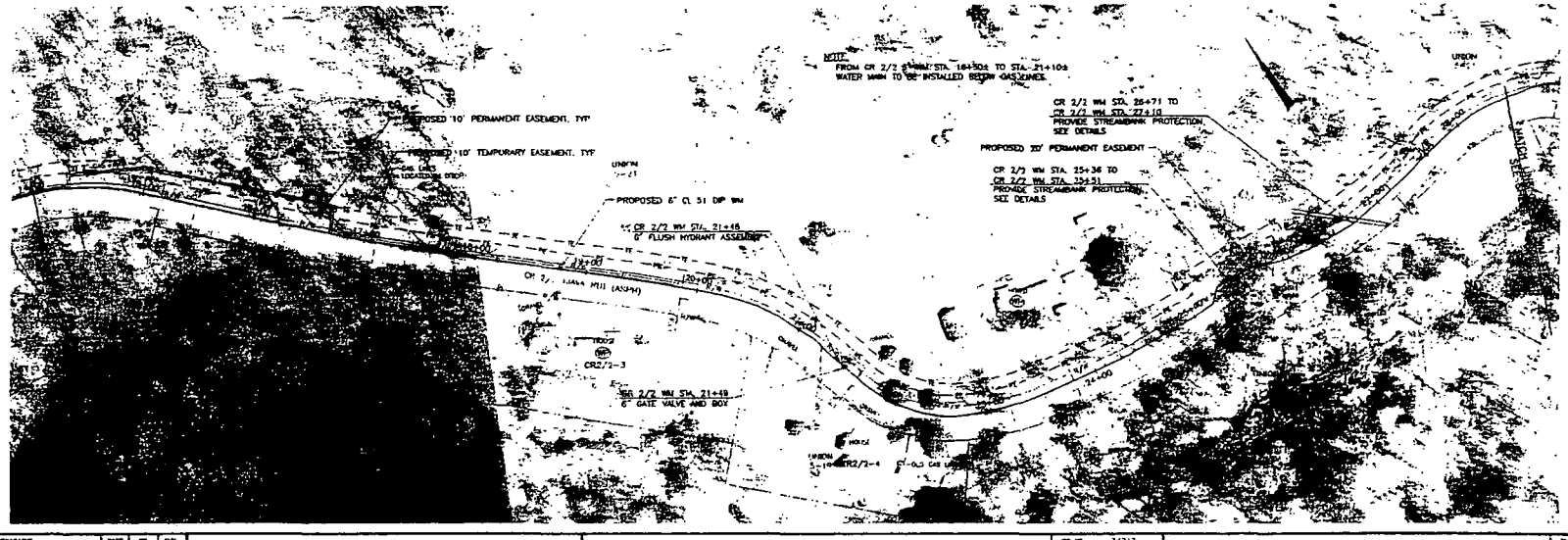
UNION DISTRICT
RAVEN ROCK
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 4, PARCEL 9
TAX MAP 5, PARCEL 81

BOUNDARY SURVEY OF:
PLEASANT RIDGE BOOSTER STATION SITE
JAVA RUN

PROJECT NO. 2005-0109

Date: 08/08/2005 Revised: 12/29/06 SHEET 1 OF 1





NO.	REVISIONS	DATE	BY	CHK.

Burgess & Niple, Inc. Parkersburg, WV

BURGESS & NIPLE

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
WATER SYSTEM IMPROVEMENTS
PLEASANTS RIDGE SERVICE AREA
CONTRACT 05-1

JOB NO.	34712
DESIGNED BY:	TLP
DRAWN BY:	DRH
CHECKED BY:	AJL
APPROVED BY:	AJS
DATE:	Dec 2008

CR 2/2 WM STA. -0+10 TO STA. 28+50

SCALE: 1"=50'

SHEET NO. 8 OF 33

PLOTTED: 12/11/2008 2:16:08 PM

P:\PR34713\cadd\Contract 04-1\cr2-2.dwg 8/21/2008 12:59:23 PM Dys, David

Description of Water Line to be owned by Pleasants County Development Authority

1. **Line SR 2 S** - Proposed 8" Ductile Iron Pipe (DIP) and 8" Dimension Ratio (DR) 18 Polyvinyl Chloride (PVC) water mains along WV State Route (SR) 2 beginning at the existing end of the City of St. Mary's water system (*Near the St. Mary's Golf Course*) and being the same point shown on Contract 05-1, Sheet 4, referenced as Sta. 0+00; extending for a distance of 8,625 feet; and ending at the proposed Pleasants Ridge Booster Station shown on Contract 05-1, Sheet 6, referenced as Sta. 86+25.

2. **Line 1** - Proposed 6" DR 18 PVC water main beginning at a road intersection with SR 2 and being the same point shown on Contract 05-1, Sheet 6, referenced as Sta. 0+00; extending for a distance of 972 feet; and ending near Union 4-16 parcel shown on Contract 05-1, Sheet 7, referenced as Sta. 9+72.

3. **Line 1A** - Proposed 6" DR 18 PVC water main beginning near and existing driveway intersection with SR 2 and being the same point shown on Contract 05-1, Sheet 6, referenced as Sta. 0+00; extending for a distance of 667 feet; and ending on Union 4-17 parcel shown on Contract 05-1, Sheet 6, referenced as Sta. 6+67.

4. **Line CR 2/2** - Proposed 6" DIP, 6" DR 14 PVC, and 6" DR 18 PVC water mains along Java Road County Route (CR) 2/2 beginning at the proposed Pleasants Ridge Booster Station shown on Contract 05-1, Sheet 8, referenced as Sta. -0+10; extending for a distance of 7,864 feet; and ending at the intersection of Java Road CR 2/2, Mt. Carmel Ridge Road CR 26, and Pleasant Ridge Road CR 26 shown on Contract 05-1, Sheet 10, referenced as Sta. 78+64.

5. **Line CR 26** - Proposed 6" DR 18 PVC water mains along Pleasants Ridge Road CR 26 beginning at the intersection of Java Road CR 2/2, Mt. Carmel Ridge Road CR 26, and Pleasant Ridge Road CR 26 (*End of Line CR 2/2*) shown on Contract 05-1, Sheet 10, referenced as Sta. 0+00; extending for a distance of 20,212 feet; and ending at the intersection of Pleasant Ridge Road CR 26 & Mt. Arvilla Road CR 7 shown on Contract 05-1, Sheet 18, referenced as Sta. 202+12.

6. **Line CR 26 S** - Proposed 6" DR 18 PVC water mains along Mount Carmel Ridge Road CR 26 beginning at the intersection of Java Road CR 2/2, Mt. Carmel Ridge Road CR 26, and Pleasant Ridge Road CR 26 (*End of Line CR 2/2*) shown on Contract 05-1, Sheet 10, referenced as Sta. 0+00; extending for a distance of 4,410 feet; and ending near Union 10-8.1 parcel on Mt. Carmel Ridge Road CR 26 shown on Contract 05-1, Sheet 10B, referenced as Sta. 44+10.

7. **Line 2** - Proposed 6" DR 18 PVC & 6" DIP water mains that begins near Union 5-47.1 parcel along Pleasants Ridge Road CR 26 (*Intersects with Line CR 26 at Sta. 41+48*) shown on Contract 05-1, Sheet 12, referenced as Sta. 0+00; extending for a distance of 4,259 feet; and ending on Union 5-6 parcel along SR2 shown on Contract 05-1, Sheet 24, referenced as Sta. 42+59.

8. **Line 3** – Proposed 6" DR 18 PVC water main that begins near Union 6-26.1 parcel along Pleasants Ridge Road CR 26 (*Intersects with Line CR 26 at Sta. 157+43*) shown on Contract 05-1, Sheet 16, referenced as Sta. 0+00; extending for a distance of 357 feet; and ending at the proposed Pleasants Ridge Storage Tank shown on Contract 05-1 Sheet 16, referenced as Sta. 3+57.

9. **Line CR 26 N** - Proposed 6" DR 18 PVC water mains along Pleasants Ridge Road CR 26 beginning at the intersection of Arvillia Road CR 7 and Pleasant Ridge Road CR 26 (*End of Line CR 26*) shown on Contract 05-1, Sheet 18, referenced as Sta. 0+00; and extending for a distance of 11,153 feet; ending on Union 3-16.2 parcel along Pleasant Ridge Road CR 26 shown on Contract 05-1, Sheet 22, referenced as Sta. 111+53.

10. **Line SR 2 N** – Proposed 6" DIP water main along SR 2 beginning on Union 5-6 parcel (*End of Line 2*) shown on Contract 05-1, Sheet 24, referenced as Sta. 0+00; extending for a distance of 972 feet; and ending on Union 1-1 parcel along SR 2 shown on Contract 05-1, Sheet 26, referenced as Sta. 45+75.

11. **Line CR 26/1** – Proposed 6" DR 18 PVC water main along Fish Pot Road CR 26/1 beginning at the intersection Middle Island Run CR 3/13 and Fish Pot Road CR 26/1 (*Connection with an existing water main in the City of St. Mary's system along Middle Island Run CR 3/13*) shown on Contract 05-1 Sheet 27, referenced as Sta. 0+00; and ending at the property line (*Location of property line has been approximated from Pleasants County Tax Map Union 13)* between Union 13-17.1 parcel and Union 13-18 parcel shown on Contract 05-1 Sheet 27, referenced as Sta. 6+56. (*Line CR 26/1 has a total length of 11,222 LF, of which the PCDA will own 656 LF. The Remaining line will be owned by the Pleasants County Public Service District.)*

12. Line Add Alternate No.1 – Proposed 6" DR 18 PVC water main along Walnut Hill Road CR 26/2, Wolf Run Road CR 26/4 and Carl Felter Road CR 26/7 beginning at the intersection of Mt. Carmel Ridge Road CR 26 and Walnut Hill Road CR 26/2 (Intersects with Line CR 26 at Sta. 28+91) shown on Contract 05-1, Sheet 33, referenced as Sta. -0+17; extending for a distance of 4,400 feet +/- on Walnut Hill Road CR 26/2, then extending for a distance of 1,550 feet +/- on Wolf Run Road CR 26/4, then extending for a distance of 2,343 feet +/- on Carl Felter Road CR 26/7, and ending near Union 10-45.1 parcel along Carl Felter Road CR 26/7 shown on Contract 05-1, Sheet 36, referenced as Sta. 82+76.

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

District	Map	Parcel	Last Name	First Name	Spouse	Deed Book	Page	Width Perm	Width Cst	Recording
Union	9	29	Trustees, Grace Episcopal Church			228	660	20	30	279/243
Union	9	27.4	Stanley	Robert A.		245	653	10	30	272/060
Union	9	32.1	West Virginia Farm Management Commission			225	112	up to 20	up to 30	279/253
Union	9	32	West Virginia Department of Military Affairs & Public Safety			247	202	20	30	279/249
Union	4	1.1	Wilson	John F.	Linda K.	152	368	10	20	272/204
Union	4	1.3	Steele	Michael L.	Susan A.	210	10	10	20	272/156
Union	4	1	Steele	Antionette Amanda		260	191	10	20	272/146
Union	4	1.4	Steele, Jr.	Earnest		258	390,392 & 394	10	20	272/154
Union	4	2	Estate of Margaret Ellen Cochrane, deceased			WB22	74	10	20	271/435
Union	4	2	I 77 Associates, L.L.C.			247	574	10	20	271/533
Union	4	3.1	Lowther	Nicole M.		269	420	10	20	273/603
Union	4	3	I 77 Associates, L.L.C.			247	574	up to 20	up to 30	271/529
Union	4	3	Estate of Margaret Ellen Cochrane, deceased			WB22	74	up to 20	up to 30	271/438
Union	4	3.2	Estate of Margaret Ellen Cochrane, deceased			159	463	10	20	271/526
Union	4	6	Estate of Margaret Ellen Cochrane, deceased			110	107	10	20	271/462
Union	4	3.3	Estate of Margaret Ellen Cochrane, deceased			157	117	10	20	271/432
Union	4	9.1	Barnhart	Dennis James		234	105	20	30	271/491

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	4	9	Barnhart	Dennis James		258	308	20	30	271/493
Union	4	3.4	Bland	Samson D.		248	11	20	30	274/367
Union	4	3.4	Ploth	Nancy R. Bland		248	11	20	30	279/55
Union	4	12	Glover, Jr.	Forrest Ray	Tina M.	254	604	10	20'	279/175
Union	4	13	Glover, Jr.	Forrest Ray	Tina M.	254	604	10	20	279/175
Union	4	17	Keller	Clarence	Johnna	252	221	10	20	272/062
Union	5	81	Martin	Paul E.	Nancy J.	156	524	10	20	276/628
Union	5	13	I 77 Associates, L.L.C.			247	574	10	20	271/523
Union	5	13	Estate of Margaret Ellen Cochrane, deceased			WB22	74	10	20	271/429
Union	5	16	I 77 Associates, L.L.C.			247	574	10	20	271/520
Union	5	16	Estate of Margaret Ellen Cochrane, deceased			WB22	74	10	20	271/426
Union	5	18	Price	C. E.		87	475	10	20	279/175
Union	5	21	Bennett	Alden J.				up to 20	up to 30	279/175
Union	5	21	Parks	Nellie				up to 20	up to 30	279/175
Union	5	21	Bailey	Agnes				up to 20	up to 30	279/175
Union	5	21	Bennett	Larry L.				up to 20	up to 30	279/175
Union	5	21	Robertson	Audria Mae				up to 20	up to 30	279/175
Union	5	21	Wright	Jennifer Lynn				up to 20	up to 30	279/175
Union	5	21	Robertson	Sherry J.				up to 20	up to 30	279/175

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	21	Robertson	Grady G.				up to 20	up to 30	279/175
Union	5	21	Park	Max T.				up to 20	up to 30	279/175
Union	5	21	Park, Trustee	Max J.				up to 20	up to 30	279/175
Union	5	21	Allen	Mary J.				up to 20	up to 30	279/175
Union	5	21	Bennett	Earl L.				up to 20	up to 30	279/175
Union	5	21	Jones	Elizabeth				up to 20	up to 30	279/175
Union	5	21	Bennett	Earl Leslie (L/E)		253	455	up to 20	up to 30	279/175
Union	5	21	Bennett	Roy Lee (L/E)		253	455	up to 20	up to 30	279/175
Union	5	21	Bennett	Webster Ray (L/E)		253	455	up to 20	up to 30	279/175
Union	5	22	Parsons, Sr.	Michael D.	Belva Jean	263	504	10	20	271/369
Union	5	22.1	Cunningham	Harvey		218	588	10	20	271/676
Union	5	42	Barkwill	John Franklin		WB15	606	10	20	271/335
Union	5	42	Howard	Carol Green Barkwill		WB15	606	10	20	271/335
Union	5	42	Webb	Michael H.		WB15	606	10	20	271/335
Union	5	42	Webb III	Deleno H.		WB15	606	10	20	271/335
Union	5	42	Culp	Anna W.		WB15	606	10	20	271/335
Union	5	42	Webb	James E.		WB15	606	10	20	271/335
Union	5	42	Johnson	Alice K.		WB15	606	10	20	271/335
Union	5	42	Webb	William E.		WB15	606	10	20	271/335

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	42	Webb	Virginia Louise		WB15	606	10	20	271/335
Union	5	42.1	Fletcher	Ruth Marie		WB19	431	10	20	271/514
Union	5	68	Fletcher	Ruth Marie		WB19	431	10	20	271/516
Union	5	69	Bennett	Michael L.		258	338	10	20	271/442
Union	5	88	Efaw	John Matthew		246	647	10	20	271/511
Union	5	87	White, Jr.	Don E.	Wilma M.	231	692	10	up to 30	271/484
Union	5	2	Berish	Kevin P.	Jamie J.	253	398	10	20	271/497
Union	10	2.1	McBrayer	Howard J.		268	99	10	20	279/175
Union	10	2.6	Duty	Billy		251	167	10	20	271/503
Union	10	2.7	Duty	Billy		251	167	10	20	271/505
Union	10	2.8	Duty	Billy		251	167	10	20	271/507
Union	10	12	Wherry	S. Eugene		240	226	10	20	272/201
Union	10	13	Strum	Henry		253	611	1	20	279/240
Union	10	11	Mt. Carmel Cemetery			203	616	10	20	279/204
Union	10	10	Knight	Charles Wilbur		139	101	10	20	279/175
Union	10	51	Bailey	Jamie S.		265	304	10	20	271/488
Union	10	51	Bailey	Terry J.		265	304	10	20	271/488
Union	10	39	Wright	Neval Pearl Stewart		241	522	10	20	272/158
Union	5	39	Stewart	Harold L.		241	522	10	20	272/164

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	39	Stewart	Glenn E.		241	522	10	20	272/162
Union	5	39	Stewart	Milo Raymond		241	522	10	20	272/160
Union	5	8	Bleakley	David Boyd		265	489	10	20	272/112
Union	10	8	Bailey-Bleakley	Carolyn F.		265	489	10	20	272/110
Union	10	8.1	McCullough, Jr.	Richard F.		253	482	10	20	271/687
Union	10	77	New Bethel Cemetery			11	379	10	20	273/481
Union	5	3	White, Jr.	Don E.	Wilma M.	237	131	up to 15	up to 25	272/211
Union	10	4	Efaw	John Earl	Janet Sue	211	35	10	20	272/215
Union	10	83	Miller	Richard A.	Michelle L.	245	125	10	up to 30	271/689
Union	5	46	Dawson	Matthew Alan		267	462	10	20	272/066
Union	5	46	Dawson	Douglas A.		267	462	10	20	271/680
Union	5	47	Kimball	Stanley G.	Mary L.	205	69	10	20	278/645
Union	5	47.2	Kimball	Stanley G.	Mary L.	215	665	10	20	279/133
Union	5	47.3	Barnhart	Brian E.		248	109	10	20	271/664
Union	5	47.3	Hunter	Carol Sue		248	109	10	20	271/662
Union	5	47.3	Barnhart	Charles E.		248	109	10	20	271/660
Union	5	47.1	Ohio Power Company			264	60	10	20	273/505
Union	5	48.3	Stewart	Vernon	Charlotte	118	139	10	20	272/170
Union	5	48.1	Stewart	Vernon E.	Charlotte A.	183	215	10	20	272/168

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	48	Stewart	Vernon	Charlotte	118	139	up to 20	up to 30	272/166
Union	5	52	Stewart	Vernon E.		249	365	10	20	272/172
Union	5	67	Barnhart	Henry Reuben		WB5	436	10	20'	279/104
Union	5	67	Harbert	Phyllis Marie		WB5	436	10	20'	279/107
Union	5	67	Barnhart	Harold Eugene		WB5	436	10	20'	279/110
Union	5	67	Miller	Richard		WB5	436	10	20'	279/113
Union	5	67	Miller	Paul Dean		WB5	436	10	20'	279/116
Union	5	67	Barkes	Sybil		WB5	436	10	20'	279/119
Union	5	67	Hartman	Ada		WB5	436	10	20'	279/121
Union	5	67	Barnhart	Ernest D.		WB5	436	10	20'	279/123
Union	5	67	Stamm	Rhonda		WB5	436	10	20'	279/126
Union	5	65	Barnhart	Henry Reuben		WB5	436	10	20'	279/82
Union	5	65	Harbert	Phyllis Marie		WB5	436	10	20'	279/84
Union	5	65	Barnhart	Harold Eugene		WB5	436	10	20'	279/86
Union	5	65	Miller	Richard		WB5	436	10	20'	279/88
Union	5	65	Miller	Paul Dean		WB5	436	10	20'	279/90
Union	5	65	Barkes	Sybil		WB5	436	10	20'	279/92
Union	5	65	Hartman	Ada		WB5	436	10	20'	279/94
Union	5	65	Barnhart	Ernest D.		WB5	436	10	20'	279/96

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	65	Stamm	Rhonda		WB5	436	10	20'	279/100
Union	5	65.1	Adams	Mark A.	Rebecca J.	206	660	10	20	271/486
Union	5	56	Weaver Construction, Inc.			256	475	10	20	272/058
Union	5	34	Barnhart	Harold E.		237	20	10	20'	279/228
Union	5	34.1	Dalrymple	Dana Glen	Sharon Monica	145	322	10	up to 30	271/344
Union	5	3	Bens Run Land Company Limited Partnership			226	154	10	20	279/175
Union	5	36	Ash	Carroll L.		264	89	10	20	271/333
Union	5	37	Gamble	Timothea		254	272	10	20	279/175
Union	5	37	Swatman	Jamie S.		254	272	10	20	279/175
Union	5	37	Pfalzgraf	Pamela		270	397	10	20	279/59
Union	5	37	Metz	Michael		270	397	10	20	279/57
Union	5	109	West	Allen		258	321	10	20	274/391
Union	6	109	Smith	Angela Dawn		258 274	321 536	10	20	276/673
Union	6	100	Heartwood Forestland Fund IV Limited Partnership			254	322 & 355	10	20'	279/175
Union	6	30	Mankins	Charles R.	Beth Ann	241	410	10	20	271/643
Union	6	32	Lewis, Jr.	Richard L.	Berylann	142	558	10	20	271/697
Union	6	26	Dalrymple	Benny Edward	Nancy Jane	219	20	10	20'	271/678
Union	6	14	Pethtel	Rodney A.	Trudy L.	242	467			276/633
Union	6	3.1	Vannoy	Kristina D. Elder		250	428			276/639

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	6	3.1	Vannoy	Kristina D. Elder		250	428			276/639
Union	6	3	Renner	James A.	Lenora E.	205	144			279/74
Union	6	27	Cecil, Jr.	Kevin L.		273	133	10	20	279/175
Union	6	15	Dalrymple	Dana G.		WB22	1	10	20	271/352
Union	6	15	Dalrymple	Richard D.		WB22	1	10	20	271/350
Union	6	15	Dalrymple	Jimmy L.		WB22	1	10	20	271/348
Union	6	15	Dalrymple	Benny E.		WB22	1	10	20	271/354
Union	6	16	Urban	Thomas E.		214	72	10	20	272/126
Union	6	17.1	Urban	Thomas E.		233	578	10	20	272/128
Union	6	17	Green	William E.		252	533	10	20	272/217
Union	6	28	Payne	William D.		233	140	20	30	273/475
Union	6	28	Green	Jodi L.		252	535	20	30	273/477
Union	6	5.1	Mayne	Mark S.	Donna	261	184	10	20	274/393
Union	6	5.1	Citizens Telecommunications Company of West Virginia, dba Frontier Communications of West Virginia					10	20	274/407
Union	6	5.13	Campbell	Rodney W.		238	246	10	20	271/672
Union	6	5.11	Campbell	Rodney W.		235	23	10	20	271/674
Union	6	5.14	Stewart, Jr.	Ronald M.	Julie E.	257	303	up to 20	up to 30	273/479
Union	6	5.6	Dalrymple	Early D.	Debra E.	235	284	10	20	271/465
Union	6	5.2	Bills	Stacy L.		245	555	10	20	271/444

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	6	5.2	Morgan	Ronald A.		245	555	10	20	271/446
Union	6	5.7	Dalrymple	Early D.	Debra E.	235	284	10	20	271/460
Union	6	21	Northcraft	Ralph		WB20	225	20	30	272/005
Union	6	21	Northcraft	Chad		WB20	225	20	30	272/003
Union	6	21	Northcraft	Brian		WB20	225	20	30	272/001
Union	6	22	Northcraft	Ralph		WB20	225	up to 20	up to 30	272/011
Union	6	22	Northcraft	Chad		WB20	225	up to 20	up to 30	272/009
Union	6	22	Northcraft	Brian		WB20	225	up to 20	up to 30	272/007
Union	6	7	Parsons	Matthew Scott		254	699	10	20	273/592
Union	6	7.1	Rittenhouse	Daniel		247	132	10	20	279/175
Union	6	8	Wiblin	Howard		246	90	10	20	271/695
Union	6	28.2	Likens	Thomas R.		263	276	10	20	271/365
Union	2	28.3	Heflin	Zachary J.	Amber M.	263	101	10	20	271/683
Union	2	28.4	Likens	Thomas R.		263	276	10	20	271/367
Union	2	27	Benefiel	Jane		WB23	423	10	20	273/485
Union	2	26.1	Boley	Carl Everett		233	396	10	20	271/668
Union	2	26.1	Kelly	Christine J.		233	396	10	20	271/670
Union	2	26	Dawson	Jim		240	590	10	20	272/64
Union	2	2	Northcraft	Irvin		239	144	10	20	279/175

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
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Union	2	2	Frakes	Pauline		239	144	10	20	279/175
Union	2	2	Ferry	Isabelle		239	144	10	20	279/175
Union	2	2	Coblentz	Roy E.		254	464	10	20	279/53
Union	2	14	Bullman	Amber D. Walker		268	237	up to 20	up to 30	272/369
Union	2	14.1	Frum	Paul		115	363	up to 20	up to 30	273/580
Union	2	14.3	Frum	Paul		142	339	10	20	273/582
Union	2	18	Smith	Mackenzie Nash		232	452	10	20	279/175
Union	2	18	Powers	Marsha Kay Smith		232	452	10	20	279/51
Union	2	17	Adams Cemetery					10	20	273/590
Union	2	18.2	Smith	Mackenzie Nash		232	452	10	20	279/175
Union	2	18.2	Powers	Marsha Kay Smith		232	452	10	20	279/47
Union	2	18.1	Smith	Mackenzie Nash		232	452	10	20	279/175
Union	2	18.1	Powers	Marsha Kay Smith		232	452	10	20	279/49
Union	2	30	Bailey	Gerald William		196	554	10	20	271/666
Union	2	22	Bilderback	Edward Eugene		WB18 WB20	46 60	**up to 15**	**up to 25**	272/107
Union	2	22	Bilderback	James Bruce		WB18 WB20	46 60	**up to 15**	**up to 25**	272/104
Union	2	22	Bilderback	Edward E.	Patricia A.	254	2	**up to 15**	**up to 25**	272/069
Union	2	23.3	Bennett	Timothy L.	Chris M.	198	671	**up to 20**	**up to 30**	271/495
Union	2	6	Bell	Lyle Gene	Mary	222	402	10	20	272/209

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Union	2	9.2	Taylor	Gary W.	Kezia M.	223	169	10	20	272/174
Union	2	9	Dearth	Lyle C.		133	641	10	20	273/473
Union	2	9.3	Taylor	Gary W.	Kezia M.	145	668	10	20	272/177
Union	2	11	Taylor	Gary W.	Kezia M.	145	668	10	20	272/179
Union	2	9.4	Dearth	Lyle C.	Esther M.	239	369	10	20	273/469
Union	2	16.3	Dearth, Jr.	Lyle C.		232	219			279/45
Union	3	16.1	Dearth	Lyle C.	Esther M.	212	427	10	20	273/471
Union	3	79	Cecil	Kevin L.	Candy S.	246	627	20	30	274/364
Union	5	79	Parks	Patricia Ann		WB21	647	20	30	274/363
Union	5	79	Parks	Richard G.		WB21	647	20	30	274/386
Union	5	79	Parks	Sam		WB21	647	20	30	274/365
Union	5	24	Parsons, Sr.	Michael D.	Belva Jean	263	504	20	30	271/371
Union	5	6	Cecil	Kevin L.	Candy S.	246	627	20	30	274/359
Union	5	6	Parks	Patricia Ann		WB21	647	20	30	274/361
Union	5	6	Parks	Richard G.		WB21	647	20	30	274/388
Union	5	6	Parks	Sam		WB21	647	20	30	274/360
Union	5	6.2	Riggs	John P.	Brenda J.	265	570	up to 20	up to 30	273/601
Union	5	8	Stewart	Gerald L.		242	113	up to 20	up to 30	273/497
Union	5	8.1	Barnhart	Nellie P.		94	201	10	20	279/175

Union	5	8.1	Barnhart	Lewis W.		94	201	10	20	279/175
Union	5	8.1	Barnhart	James W		94	201	10	20	279/175
Union	5	8.1	Barnhart	Annie V.		94	201	10	20	279/175
Union	5	8.1	Barnhart	Wiley C.		94	201	10	20	279/175
Union	5	11	Efaw	John F.	Mildred	115	19	up to 20	up to 30	271/509
Union	5	10	Snodgrass	Matthew G.	Laura L.	233	593	up to 20	up to 30	271/653
Union	5	12	Kelley	Claude G.	Carolyn S.	148	364	10	20	273/584
Union	5	1	Light	James Cleveland	Eve Wamsley	222	51	10	20	279/72
Union	5	1.1	Atlas Towing Company			157	71	10	20	274/372
Union	5	2	2003 Guy W. Shingleton, Sr. Trust dated January 8, 2003			256	189	10	20	279/78
Union	5	31	Barkes	Sybil Barnhart		128	322, 331 350	10	20	279/102
Union	5	86	Meeks	Edwin A.	Tracy L.	261	513	10	20	271/651
Union	5	1	Henline	David L.	Jean Ann	215	392	10	20	271/635
Union	1	31.1	Lawhon	Charles M.	Melissa L.	254	106		10	272/360
Union	13	17.1	Nichols	Jeffrey W.		239	267	up to 20	up to 30	271/480
Union	13	18	Lamp	Ruth B.		227	606	10	20	271/478
Union	13	18	Nichols	Janet B.		227	606	10	20	271/476
Union	13	19.7	Bailey	Mark D.		235	650	10	20	271/518
Union	13	19.5	Lamp, Jr.	Phil M.		257	306	10	20	279/175

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Union	13	19.11	Young	John P.	Rebecca	264	119	10	20	279/216
Union	13	19.6	Sparks	William Harold	Rosemary B.	175	441	up to 20	up to 30	272/144
Union	13	19.3	Taylor	Greg L.		158	277	10	20	272/181
Union	13	19.1	Campbell	Richard C.	Kathryn R.	183	40	10	20	271/401
Union	13	27	Campbell	Richard C.	Kathryn R.	208	599	10	20	271/499
Union	13	27.4	McBrayer	Randall J.		264	131	10	20	271/645
Union	13	27.1	McBrayer	Randall J.		264	131	10	20	271/647
Union	13	27.2	McBrayer	Randall J.		264	131	10	20	271/649
Union	13	27.3	Sloan, Jr.	Frank	Flora M.	236	34	up to 20	up to 30	271/482
Union	13	28	Shaffer	Rosco		228	298	10	20	272/142
Union	13	1	Wherry	Hazel Louise		WB13	364	10	20	272/199
Union	14	33	Kiser	Bobby	Joyce	228	524	10	20	271/639
Union	13	34	Kiser	Bobby	Joyce	250	70	10	20	271/641
Union	13	35	Griffin	Clayton W.	Almedia Kay	151	113	10	20	271/633
Union	13	36	Griffin	Clayton W.	Almedia Kay	151	113	10	20	271/627
Union	13	1.3	Riffle	Junior A.	Dorothy J.	111	391	10	20	271/692
Union	14	1.4	Masters	Harold E.		115	131	10	20	279/35
Union	14	1.4	Klaphake	W. F.		115	131	10	20	279/37
Union	14	1.4	Masters	Danial M.		115	131	10	20	279/175

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Union	14	1.4	Masters	George E.		115	131	10	20	279/175
Union	14	1.5	Flowers	Dallas E.	Beulah V.	224	128	10	20	279/41
Union	14	1.6	Parsons, Jr.	Michael Dale		264	182	10	20	279/33
Union	14	1.8	Naylor Steele	Charlotte Faye		224	62	10	20	272/148
Union	14	1.8	Steele	John Eugene		224	62	10	20	272/150
Union	14	1.8	Steele	Richard Landon		224	62	10	20	272/152
Union	14	1.14	Bradford II	Clyde K.		255	421	10	20	272/213
Union	14	1.13	Horner	Robert Stephen		WB22	434	10	20	271/470
Union	14	1.13	Horner	William Douglas		WB22	434	10	20	271/467
Union	14	1.13	Horner	Kathy Yvonne		WB22	434	10	20	271/473
Union	14	1.11	Huether	Fritz		235	642	10	20	271/637
Union	14	1.1	Flowers	Dallas E.		187	283	10	20	271/359
Union	14	9	Flowers	Dallas E.		222	388	10	20	271/625

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EXHIBIT C - PERSONAL PROPERTY DESCRIPTION

All equipment, fixtures, facilities, machinery, furnishings, and other personal property, now owned and hereafter acquired, whether considered real property, personal property or fixtures, located on, or used in connection with, the real estate described in "Exhibit A - Real Property Description" attached hereto as a part hereof.

EXHIBIT D - CONSTRUCTION OUTLINE SPECIFICATIONS

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
PLEASANTS COUNTY, WEST VIRGINIA

WATER SYSTEM IMPROVEMENTS

PLEASANTS RIDGE SERVICE AREA
CONTRACT NUMBER 05-1

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT

BOARD MEMBERS

Ed Bartrug, Chairman
Katie Campbell, Treasurer
Mark Bailey, Secretary

ADVERTISEMENT, BID, CONTRACT, AND SPECIFICATIONS

March 2010

TIMOTHY L. UTT
REGISTERED
13237
STATE OF
WEST VIRGINIA
PROFESSIONAL ENGINEER

3/12/10

BURGESS & NIPLE, INC.
Engineers and Architects
4424 Emerson Avenue
Parkersburg, West Virginia 26104
Phone: 304-485-8541
Fax: 304-485-0238
www.burgessniple.com

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THIS OPERATION AND MAINTENANCE AGREEMENT is made as of June 11, 2010, by and among PLEASANTS COUNTY PUBLIC SERVICE DISTRICT, a public service district and political subdivision (the "PSD"), PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public agency ("PCDA"), and THE COUNTY COMMISSION OF PLEASANTS COUNTY, WEST VIRGINIA, a political subdivision of the State of West Virginia (the "County Commission").

W I T N E S S E T H:

WHEREAS, PSD, County Commission and PCDA have agreed to enter into a public water utility project (the "Project") for the construction of certain water utility assets (a) by PCDA and leased to the County (the "County Leased Facilities") and (b) by PSD (the "PSD Facilities") to provide water service to various areas of Pleasants County, West Virginia; and

WHEREAS, after completion of the Project, all as more fully described herein and in the Application (the "Application") by PSD, PCDA and County Commission filed or to be filed with the Public Service Commission of West Virginia (the "Public Service Commission"), PCDA will construct or have constructed through the PSD and own the County Leased Facilities and lease the same to the County Commission to provide water service to PCDA customers in Pleasants County, West Virginia; and

WHEREAS, the County Leased Facilities to be constructed by or on behalf of the PCDA are generally shown and described on the series of maps identified and incorporated by reference herein collectively as Appendix A; and

WHEREAS, PSD, through the PSD Facilities to be constructed by PSD, at its cost, as a part of the Project, will be in a position to serve citizens of Pleasants County from PSD Facilities or County Leased Facilities; and

WHEREAS, PSD will purchase water for the PSD Facilities and the County Leased Facilities from the City of St. Marys, West Virginia; and

WHEREAS, PSD has offered to enter into this Agreement and to undertake the operation, maintenance, repair and replacement of the County Leased Facilities and to supply the estimated water needs of the customers to be served from the County Leased Facilities in Pleasants County; and

WHEREAS, PCDA and the County Commission believe it is in the best interests of the residents of Pleasants County for PSD to operate, maintain, repair and replace the County Leased Facilities and to provide water service to the residents of Pleasants County served by the Project as provided in this Agreement; and

WHEREAS, the PCDA wants PSD to provide potable water directly to PCDA customers served through the County Leased Facilities and to provide assistance in the operation, maintenance, repair and replacement of the County Leased Facilities; and

WHEREAS, the County Commission has leased the County Leased Facilities from PCDA pursuant to the Agreement and Lease dated as of June 11, 2010 (the "Lease").

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of this Agreement and which are not to be construed as mere

recitals, the covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, the County Commission, the PSD and PCDA agree:

I. Supply of Water to Customers Served by the County Leased Facilities.

A. Upon the construction of the County Leased Facilities, PSD agrees to provide to the Customers served from the County Leased Facilities (the "Leased Facilities Customers"), subject to the terms, conditions, undertakings, agreements and limitations provided in this Agreement, the total water requirements of the Leased Facilities Customers, said water delivered to the Leased Facilities Customers to be of the same quality as that supplied to PSD's Customers in Pleasants County. PSD will be paid for the water supplied to the Customers in the manner set forth in Section V of this Agreement at the rates of PSD from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended.

B. PSD shall monitor the water quality and be responsible for compliance with all state and federal standards for furnishing water to the public.

C. In the event of an extended shortage of water, or if the supply of water from PSD is otherwise diminished or impaired, the supply of water to the Leased Facilities Customers shall be reduced or diminished in approximately the same proportion as the supply of the water to PSD's Pleasants County customers is reduced or diminished. Any notification given to PSD's Pleasants County customers of any anticipated shortage of water shall also be given to Leased Facilities Customers.

II. Term of This Agreement.

The term of this Agreement shall extend for sixteen years from the date hereof and thereafter may continue in effect from year to year by mutual consent of the parties; provided, however, PCDA shall have the right to terminate this Agreement on (i) sixty (60) days' prior written notice and (ii) payment at the time of such termination to PSD of the amount calculated as set forth in Section VII below.

III. Future Additions to and Future Extension of County Leased Facilities.

Nothing herein shall be construed or interpreted to prohibit any future additions to or future extensions of County-leased facilities by any party to this agreement which addition or extension shall be duly approved, authorized or required by the West Virginia Public Service Commission. Provided, any such future additions or extensions not subject to the West Virginia Public Service Commission approval shall be governed the provisions hereof..

PSD and PCDA are aware that there may be written requests by PCDA for future additional use of water by Leased Facilities Customers and that there may be future approved PCDA additions and extensions made to County Leased Facilities. In addition to the other requirements set forth in this Agreement, PCDA and PSD hereby specifically agree that such additional use, additions and extensions will be made only if, in the opinion of PSD, PSD can purchase sufficient water and PSD's transmission, distribution and pumping facilities, including County Leased Facilities and PSD's transmission and distribution mains,

are adequate to serve PCDA's Customers and if PSD believes it otherwise economically feasible to meet the total then present and anticipated needs of both the Leased Facilities Customers and the other PSD customers. Further, the County Commission, PCDA and PSD agree as follows:

A. Future Additions. All future additions to the County Leased Facilities constructed by PCDA shall be subject to this Agreement; provided, however, that future additions to the system must be approved by the County Commission, PSD and PCDA.

B. Future Extension. Customer extensions from the County Leased Facilities and within PCDA boundary lines may be installed by either PCDA or PSD. When PCDA receives a request for a Customer extension, PCDA shall notify PSD in writing within fifteen (15) days of its receipt of said request whether it will install the Customer extension or desires PSD to make the installation.

(1) In the event PCDA desires PSD to install and own the Customer extension, (i) PSD shall contract on its own behalf with the Customer requesting the extension and make the installation pursuant to the Rules and Regulations of the Public Service Commission, (ii) all Customers attaching to the Customer extension shall be considered Leased Facilities Customers for billing purposes at the rates of PCDA in accordance with Section V, and (iii) the Customer extension shall be, without further cost or expense of any kind, the property of PSD.

(2) In the event PCDA elects to install and own the Customer extension, the construction for that Customer extension by PCDA will be contracted to a contractor acceptable to PSD, and all plans and specifications for that extension shall be submitted to and approved by PSD before becoming a part of PCDA's Facilities and being subject to this Agreement. When that extension is contracted to a contractor acceptable to PSD, PSD, on behalf of and as agent for PCDA, will contract directly with such contractor to provide the extension. Any extension deposits taken by PSD on behalf of and as agent for PCDA pursuant to the Rules and Regulations of the Public Service Commission will be retained by PSD and credited against the cost of the extension, and the balance of the deposit above the cost of the extension, if any, will be returned to the contracting Customer. PSD, on behalf of and as agent for PCDA, will make refunds to the contracting Customers for the extensions pursuant to the Rules and Regulations of the Public Service Commission based on the rates of PSD, using funds advanced to PSD by PCDA (to the extent such advances are legally permissible).

(3) Refunds made pursuant to the Rules and Regulations of the Public Service Commission to Customers contracting directly with PSD shall be the sole responsibility of PSD, and the cost of such extensions, to the extent refunded or reimbursed to Customers pursuant to the Public Service Commission's Rules and Regulations, shall be properly includable in PSD's depreciable utility plant in calculating PSD's cost of service and resulting rates.

B. PSD Facilities Extension and Additions. The PSD shall provide PCDA and the County Commission with notice of any extensions and/or additions to the PSD Facilities and shall verify that sufficient water is available to provide service to such extensions and/or additions.

IV. Operation and Maintenance of County Leased Facilities by PSD; PSD as Agent.

A. PSD hereby agrees to operate, maintain, repair and replace (i) County Leased Facilities, and (ii) all water lines added thereto as additions and extensions with the written approval of the County Commission, PSD and PCDA. Notwithstanding the foregoing, PSD shall not be under any obligation to maintain, repair or replace at its expense, any condition, defect or malfunction arising from the installation of future additions or future extensions to the County Leased Facilities which fail to meet the standards of PSD, if such discrepancy in design or installation is reported in writing by PSD to PCDA within fifteen (15) days of discovery.

B. In the event that it becomes necessary to relocate, replace, maintain or repair any condition, defect or malfunction arising from faulty installation of any future additions or extensions for which notice as hereinabove set forth has been given to PCDA by PSD, such replacement, relocation, maintenance or repair will be made by a contractor approved by PSD or by PSD upon notification by PCDA using funds advanced by PSD for which PSD shall be reimbursed upon termination of this Agreement.

C. In the event PSD, under the terms of this Agreement, is required to install, relocate or replace any "unit of property" within the County Leased Facilities as defined in the Uniform System of Accounts of the National Association of Regulatory Utility Commissioners ("NARUC"), PSD shall make such installation, relocation or replacement at its cost; provided, however, that in every such instance the unit of property shall be, and shall remain, the property of PSD (unless purchased by PCDA from PSD after termination of this Agreement as provided in Section VII hereof or constitutes a part of the County Funded Portion, in which event such property will remain the property of the PCDA subject to the Lease) and shall be properly includable in the depreciable utility plant of PSD in calculating its cost of service and resulting rates.

D. PCDA agrees that, in those instances in which PSD installs, replaces or relocates any unit of property on the County Leased Facilities pursuant to the provisions of Subsection C of this Section IV, PCDA will, simultaneously therewith, convey to PSD all related rights of way, easements, licenses or other property interests necessary for PSD to have and own such unit of property in the location and manner in which it is installed, replaced or relocated on the County Leased Facilities.

E. The PSD is hereby appointed as the agent for PCDA to design, construct and install the County Leased Facilities in accordance with good utility construction standards, and the PSD shall have the right to enter into such contracts with third parties as it deems necessary or desirable to effectuate such design, construction and installation without

further act or deed of PCDA as more specifically set forth in Appendix B – Construction Outline Specifications, attached hereto, and Section 3.01 of the Lease.

F. The PSD will maintain insurance coverage on the county Leased Facilities as is required from time to time by any of the PSD's or PCDA's lenders and shall provide notice to the PCDA and County of any insurable events.

V. Reading Meters and Billing of Customers.

A. All Customers served directly from the County Leased Facilities under this Agreement shall be Leased Facilities Customers and all Customers served directly from PSD Facilities shall be the Customers of PSD. PSD shall read all meters of the Leased Facilities Customers and render bills to those Customers, as agent for and on behalf of PCDA, in a manner consistent with the meter reading and billing practices of PSD employed in billing its own Customers, such bills to be rendered and collected by PSD on behalf of PCDA and to be computed based on the usage of each PCDA Customer at the rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. It is the understanding and intent of the parties to this Agreement that the rates of the PCDA shall reflect or mirror the rates of PSD.

B. It is the intent of the County Commission, PSD and PCDA under this Agreement that the bills delivered to each Leased Facilities Customer reflect the amount due for the water used (such amount to be determined by applying the rates of PCDA to the consumption of water by Leased Facilities Customers as determined by monthly or estimated

meter readings). PSD shall be responsible for the collection of delinquent bills on behalf of PCDA. The bills delivered to the Leased Facilities Customers will be delivered by, and be payable to, PSD, as agent for PCDA.

C. PSD, in consideration of the respective rights, duties, obligations, agreements and undertakings of the parties under this Agreement, shall be entitled to receive from PCDA, through the billing of the Leased Facilities Customers, an amount for water service rendered to Leased Facilities Customers equal to the consumption of each individual Leased Facilities Customer at PSD rates from time to time established pursuant to Chapter 24 of the West Virginia Code, as amended. PSD shall prepare and deliver monthly statements or schedules to PCDA which shall reflect the total amount collected by PSD, as agent for PCDA, and the total amount retained by PSD for the water service provided to Leased Facilities Customers at the respective rates of PCDA and PSD. A Leased Facilities Customer shall be charged a municipal B & O surcharge on his usage only if that Leased Facilities Customer resides within a municipality which imposes such a surcharge. In addition, the monthly statement to be provided to PCDA and to the County Commission by PSD will also include the costs of any additions or extensions, and related refunds, made at the cost of the PCDA under Section III, and the cost of any fire hydrants under Section X installed at the cost of PCDA.

D. The PSD agrees to provide its monthly financial statements and the minutes of its meeting to the PCDA and County Commission on a monthly basis. The PSD

agrees to provide its annual audited financial statements and Public Service Commission report to the PCDA and the County Commission upon completion.

E. County Commission and PCDA shall have the right to have their accountants review, at least annually, at their expense, the system of accounts maintained by PSD for PCDA.

F. The PSD agrees to annually provide a combined annual report to the Public Service Commission and the PCDA agrees to the PSD providing its information in the combined annual report.

G. The PSD and the PCDA agree that they will jointly file for combined tariff increases, if and when such increases become necessary.

VI. Installation of Domestic Services.

After the proposed construction of the County Leased Facilities has been completed, PSD shall install domestic service lines, including the tap on the County Leased Facilities and the service line from the County Leased Facilities to the established curb line or within the public right of way nearest the main in accordance with the Rules and Regulations of the Public Service Commission. This installation shall include the meter setting. All such service lines from the County Leased Facilities to the Customer's property line, meter settings and taps shall be constructed and installed by PSD and shall be the property of PSD. PSD shall install all meters at its cost, shall own the meters, and shall assume the obligation to repair, maintain and replace the meters.

VII. Termination of the Agreement. At the time of termination of this Agreement, PSD will be entitled to receive payment for all water delivered to County Leased Facilities customers through the termination date of this Agreement in accordance with the provisions of Section V of this Agreement. To the extent paid for by the PSD, all water meters installed on County Leased Facilities at the time of such termination will be removed by PSD. PCDA agrees that it will either replace those meters, install nipples in place of those meters or buy the meters from PSD at the depreciated original cost of those meters.

VIII. Installation of Private Fire Protection Services.

Fire services may be installed by PSD from the County Leased Facilities, but only in accordance with the Rules and Regulations of the Public Service Commission and the Bureau of Public Health. Fire service will be installed by PSD at the expense of the applicant and will be billed by PSD to the applicant and paid by the applicant directly to PSD at a rate equal to the then approved PSD's private protection rate.

IX. Installation of Fire Hydrants.

Public fire protection facilities may be installed on the County Leased Facilities covered by this Agreement at the request of an appropriate governmental unit, and installation shall be made pursuant to the Rules and Regulations of the Public Service Commission and the Bureau of Public Health, provided that all such fire hydrants shall have a flow capability of at least 500 GPM at 20 psi residential pressure for a sustained period of time.

X. Water Service Franchise Territories.

It is expressly understood and agreed by PSD and PCDA that:

A. PSD shall be permitted to own PSD Facilities purchased by PSD and to serve PSD Customers served directly from those PSD Facilities within the water service franchise area of PCDA, set forth in Appendix A hereto, as are necessary to enjoy and fulfill its rights and obligations under this Agreement, subject to the terms and conditions set forth in this Agreement.

B. Except as otherwise provided in this Agreement, all persons residing outside of PCDA's water service franchise area, as defined above, and served, either at present or in the future, by PSD shall be considered Customers of PSD.

C. PCDA agrees that, as a part of the consideration for this Agreement, PSD shall have the right, even after termination of this Agreement, to transfer water through the County Leased Facilities, and all future additions and future extensions thereto, and to serve customers who may be connected, directly or indirectly, to PSD water mains, whether inside or outside PCDA's service area.

XI. Conditions Precedent to Effectiveness of Agreement.

PSD and PCDA understand and agree that this Agreement, and the obligations of each of them hereunder, are expressly conditioned upon the following, each of which is a condition precedent to the validity and enforceability of this Agreement:

A. Rates. The Public Service Commission shall have approved the rates and billing arrangements requested in the Application, or any supplements thereto, filed with the Public Service Commission seeking approval of this Agreement.

B. The Public Service Commission shall have approved this Agreement and all of the terms, conditions, undertakings, agreements and limitations of this Agreement and the rates requested in the Application.

C. The Public Service Commission shall not have attached to its Order any terms, conditions or limitations which shall adversely affect this Agreement or the economic feasibility of this project between the parties insofar as taking any action or refraining from taking any action which, in the opinion of their respective counsel, might require them, or either of them, to breach any of their obligations under any secured financing, as supplemented, or any other agreement to which either of them might be a party.

XII. Representations and Warranties.

A. PCDA represents and warrants to PSD and County Commission as follows:

(1) The execution, delivery and performance of this Agreement by PCDA has been duly authorized, and this Agreement constitutes a valid and binding obligation of PCDA enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by PCDA will not violate any provisions of law or violate the terms or

conditions of any grants or loans made to PCDA for construction of the County Leased Facilities.

B. PSD represents and warrants to PCDA and County Commission as follows:

(1) The execution, delivery and performance of this Agreement by PSD has been duly authorized, and this Agreement constitutes a valid and binding obligation of PSD enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by PSD will not violate any provisions of law or violate the terms or conditions of any grants or loans made to PSD.

C. County Commission represents and warrants to PSD and PCDA as follows:

(1) The execution, delivery and performance of this Agreement by County Commission has been duly authorized, and this Agreement constitutes a valid and binding obligation of County Commission enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by County Commission will not violate any provisions of law or violate the terms or conditions of any grants or loans made to County Commission for construction of the County Leased Facilities.

XIII. Assignability.

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

XIV. Notice.

Any notice, demand or request given hereunder shall be deemed sufficient if in writing and sent by certified mail, postal charges prepaid, to Pleasants County Public Service District, Attention: Chairman, P.O. Box 369, St. Marys, West Virginia 26170; to PCDA addressed to the Pleasants County Development Authority, P.O. Box 339, St. Marys, West Virginia 26170; and to County Commission, 301 Court House Lane, St. Marys, West Virginia 26170, or to such address as the parties shall indicate by written notice to the other parties.

XV. Captions.

The captions preceding the text of the sections of this Agreement are inserted solely for convenience and reference and shall not be used to construe, interpret or affect any provision of this Agreement.

XVI. Governing Law. This Agreement shall be governed by West Virginia law.

XVII. Severability. If any provision of this Agreement is, for any reason, determined to be invalid, illegal or unenforceable in any respect, the Parties hereto shall negotiate in good faith and make such amendments, modifications or supplements of or to this Agreement, that to the maximum extent practicable in light of such determination,

implement and give effect to the intentions of the Parties as reflected in this Agreement, and the other provisions of this Agreement shall, as so amended, modified or supplemented, or otherwise affected by such action, remain in full force and effect.

IN WITNESS WHEREOF, Pleasants County Public Service District, Pleasants County Development Authority, and The County Commission of Pleasants County have caused this Agreement to be signed, by their proper officers thereunto duly authorized, all as of the day and year first above written.

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT

By: _____
Its Chairman

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

By: _____
Its: President

THE COUNTY COMMISSION OF PLEASANTS COUNTY, WEST VIRGINIA

By: _____
Its: President

{C1445071.3}

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to-wit:

The foregoing instrument was acknowledged before me this 9th day of June, 2010, by Ed Bartug, Chairman of Pleasants County Public Service District, on behalf of the public service district.

My commission expires December 4, 2011.

Notary Public

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DIANNE P. WOLFE
Bowles Rice McDavid Graff & Love
501 Avery Street, 5th Floor
Parkersburg, West Virginia 26101
My Commission Expires Dec. 4, 2011

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to-wit:

The foregoing instrument was acknowledged before me this 24th day of May, 2010, by F. Michael Nelson, President of the Pleasants County Development Authority.

My commission expires April 4, 2014.

Notary Public

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SAMMIE L. GEE
Jackson Kelly PLLC
P. O. Box 553
Charleston, WV 25322
My Commission Expires April 4, 2013

{C1445071.3}

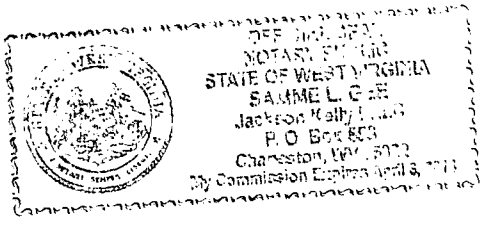
STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to-wit:

The foregoing instrument was acknowledged before me this 19th day of May, 2010, by Larry Barnhart, President of The County Commission of Pleasants County.

My commission expires April 4, 2014.

Notary Public



{C1445071.3}

APPENDIX A

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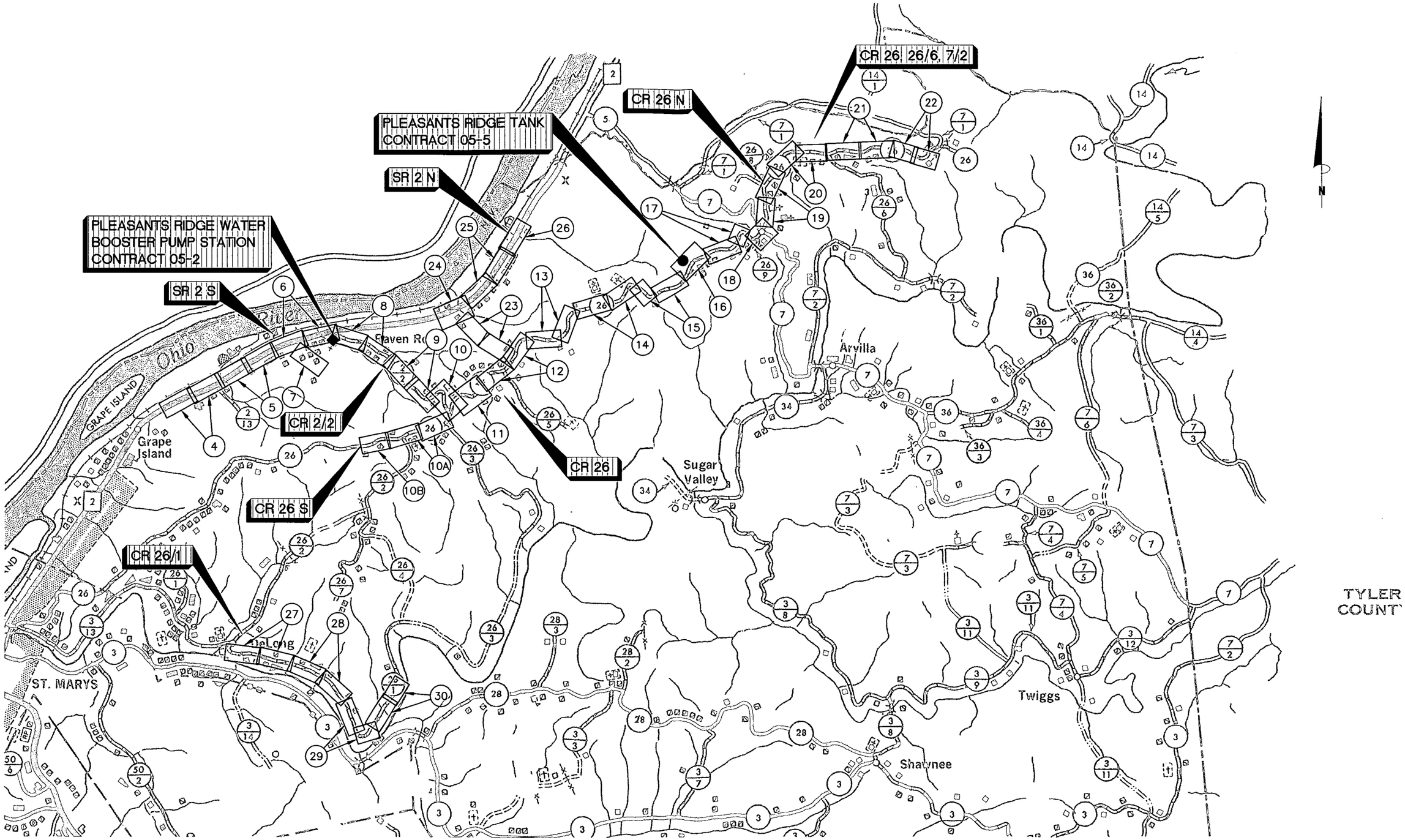

NO.	REVISIONS	DATE	BY	CHK.

Burgess & Niple, Inc. Parkersburg, WV

BURGESS & NIPLE

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
WATER SYSTEM IMPROVEMENTS
PLEASANTS RIDGE SERVICE AREA
CONTRACT 05-1

JOB NO.	34713
DESIGNED BY:	TLU
DRAWN BY:	DRD
CHECKED BY:	TLU
APPROVED BY:	TLU
DATE:	March 2010

INDEX MAP

SCALE: NONE

SHEET NO. 2 OF 39

P:\PR34713\cadd\Contract 04-1\INDXMAP.dwg 3/11/2010 8:53:14 PM Owen, Jonathan

APPENDIX B

Construction Outline Specifications

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
PLEASANTS COUNTY, WEST VIRGINIA

WATER SYSTEM IMPROVEMENTS

PLEASANTS RIDGE SERVICE AREA
CONTRACT NUMBER 05-1

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT

BOARD MEMBERS

Ed Bartrug, Chairman
Katie Campbell, Treasurer
Mark Bailey, Secretary

ADVERTISEMENT, BID, CONTRACT, AND SPECIFICATIONS

March 2010

TIMOTHY L. UTT
REGISTERED
13237
STATE OF
WEST VIRGINIA
PROFESSIONAL ENGINEER

3/12/10

BURGESS & NIPLE, INC.
Engineers and Architects
4424 Emerson Avenue
Parkersburg, West Virginia 26104
Phone: 304-485-8541
Fax: 304-485-0238
www.burgessniple.com

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PLEASANTS COUNTY DEVELOPMENT AUTHORITY 2.9
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(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

MINUTES ON ADOPTION OF BOND ORDINANCE

The Board of Pleasants County Development Authority met in special session, pursuant to notice duly posted, in St. Marys, West Virginia, at 5:00 p.m. on May 10, 2010.

PRESENT:	Mike Nelson	-	President
	Randa Gregg	-	Vice President
	Ron McFadden	-	Treasurer
	Jim Cottrill	-	Member
	Jerry Davis	-	Member
	Bob Doty	-	Member
	Jim Elliott	-	Member
	John Fitzpatrick	-	Member
	Jim Hooper	-	Member
	Liz McGill Bleakley	-	Member
	Max Powell	-	Member
ABSENT:	Paul Ingram	-	Member
	Bill Israel	-	Member
	Art Olds	-	Member
	Clifford Smith	-	Member

Mike Nelson, President, presided, and James McGoldrick, acted as Secretary. The President announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the President introduced Samme Gee of Jackson Kelly PLLC, bond counsel, who presented the proposed Bond Ordinance and read it by title:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC WATERWORKS FACILITIES OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND THE FINANCING OF THE COST THEREOF, NOT

OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE AUTHORITY OF NOT MORE THAN $3,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B AND SERIES 2010 C (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and there was discussion. Thereupon, on motion of John Fitzpatrick, seconded by Bob Doty, it was unanimously ordered that said Bond Ordinance be adopted.

There being no further business to come before the meeting, on motion of Jim Elliott, seconded by Jim Cottrill, it was unanimously ordered that the meeting be adjourned.

Secretary

{C1780128.1}

CERTIFICATION

I hereby certify that the foregoing action of Pleasants County Development Authority remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature as of the date first written above.

Secretary

{C1780128.1}

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 2.9
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

MINUTES ON ADVANCEMENT OF BOND ORDINANCE

The Board of Pleasants County Development Authority met in special session, pursuant to notice duly posted, in St. Marys, West Virginia, at 5:00 p.m. on May 3, 2010.

PRESENT:	Mike Nelson	-	President
	Randa Gregg	-	Vice President
	Ron McFadden	-	Treasurer
	Jim Cottrill	-	Member
	Jerry Davis	-	Member
	Bob Doty	-	Member
	Jim Elliott	-	Member
	John Fitzpatrick	-	Member
	Jim Hooper	-	Member
	Bill Israel	-	Member
	Liz McGill Bleakley	-	Member
	Art Olds	-	Member
	Max Powell	-	Member
	Clifford Smith	-	Member
ABSENT:	Paul Ingram	-	Member

Mike Nelson, President, presided, and James McGoldrick, acted as Secretary. The President announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the President introduced Samme Gee of Jackson Kelly PLLC, bond counsel, who presented the proposed Bond Ordinance and read it by title:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC WATERWORKS FACILITIES OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND THE FINANCING OF THE COST THEREOF, NOT

OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE AUTHORITY OF NOT MORE THAN $3,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B AND SERIES 2010 C (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and there was discussion. Thereupon, on motion of Jim Elliott, seconded by Randa Gregg, it was unanimously ordered that said Bond Ordinance be advanced to the second reading.

There being no further business to come before the meeting, on motion of Bill Israel, seconded by Jim Cottrill, it was unanimously ordered that the meeting be adjourned.

Secretary

CERTIFICATION

I hereby certify that the foregoing action of Pleasants County Development Authority remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature as of the date first written above.

Secretary

PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

MINUTES ON PUBLIC HEARING, ENACTMENT OF BOND ORDINANCE, SUPPLEMENTAL RESOLUTION AND FIRST DRAW RESOLUTION

The Board of Pleasants County Development Authority met in special session, pursuant to notice duly posted and publication in The St. Marys Oracle on May 12, 2010 and May 19, 2010, in St. Marys, West Virginia, at 5:00 p.m. on May 24, 2010.

PRESENT:	Mike Nelson	-	President
	Randa Gregg	-	Vice President
	Ron McFadden	-	Treasurer
	Jim Cottrill	-	Member
	Jerry Davis	-	Member
	John Fitzpatrick	-	Member
	Jim Hooper	-	Member
	Art Olds	-	Member
ABSENT:	Liz McGill Bleakley	-	Member
	Bob Doty	-	Member
	Jim Elliott	-	Member
	Paul Ingram	-	Member
	Bill Israel	-	Member
	Max Powell	-	Member
	Clifford Smith	-	Member

Mike Nelson, President, presided, and James McGoldrick, acted as Secretary. The President announced that a quorum of members was present and that the meeting was open for any business properly before it. On motion of Ron McFadden, seconded by Jim Cottrill, the minutes of the special meeting May 10, 2010, were approved as presented.

Pursuant to the notice of public hearing published in The St. Marys Oracle on May 12, 2010 and May 19, 2010, the President opened the public hearing on the Bond Ordinance. No members of the public made comment. The President noted that no written comments were received. The President closed the public hearing.

Thereupon, the President introduced Samme Gee of Jackson Kelly PLLC, bond counsel, who presented the proposed Bond Ordinance and read it by title:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC WATERWORKS FACILITIES OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE AUTHORITY OF NOT MORE THAN $3,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B AND SERIES 2010 C (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING LOAN AGREEMENTS RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Art Olds and seconded by Randa Gregg, it was unanimously ordered that said Bond Resolution be enacted and be in full force and effect on and from the date hereof.

Next, the President presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, PAYMENT SCHEDULE, SALE PRICE AND OTHER TERMS OF THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY WATERWORKS LEASE REVENUE BONDS,SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND) AND WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA

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

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

Next, the President presented a proposed First Draw Resolution in writing entitled:

RESOLUTION OF THE BOARD OF PLEASANTS COUNTY DEVELOPMENT AUTHORITY APPROVING INVOICES RELATING TO THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC WATERWORKS FACILITIES OF THE AUTHORITY AND AUTHORIZING PAYMENT THEREOF

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Art Olds and seconded by Jim Hooper, it was unanimously ordered that said First Draw Resolution be adopted and be in full force and effect on and from the date hereof.

There being no further business to come before the meeting, on motion of Jim Elliott, seconded by Art Olds, it was unanimously ordered that the meeting be adjourned.

Secretary

CERTIFICATION

I hereby certify that the foregoing action of Pleasants County Development Authority remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature as of the date first written above.

Secretary

INVOICE AND AFFIDAVIT OF PUBLICATION

St. Marys Oracle

Ph. (304) 684-2424 • Fax (304) 684-2426
P.O. Box 27, St. Marys, WV 26170

WEST CENTRAL PUBLISHING
FEDERAL I.D. NO. 55-06700561
STATE OF WEST VIRGINIA
COUNTY OF PLEASANTS, to wit:

I, James McGoldrick, being first duly sworn upon my oath, do depose and say:

- that I am Publisher of The St. Marys Oracle, a Democratic newspaper,
- that I have been duly authorized to execute this affidavit,
- that such newspaper is regularly published weekly for at least fifty weeks during the calendar year, in the municipality of St. Marys, Pleasants County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in Art. 3, Chap. 59 of the Code of West Virginia 1931 as amended, within St. Marys and Pleasants County
- that such newspaper averages in length four or more pages, exclusive of any cover, per issue;
- that such newspaper is circulated to the general public at a definite price or consideration;
- that such newspaper is a newspaper to which the general public resorts for passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

PC Developemtn Authority Notice of Public Hearing

WAS PUBLISHED IN SAID NEWSPAPER AS FOIIOWS:

TIMES	DATES
Two	May 12 and 19, 2010

PUBLICATION CHARGES	$124.52

CERTIF-BILL TO

PC Development Authority
PO Box 339
St. Marys, WV 26170

(signed) Brenda Gregg

NOTARIZATION

Taken, sworn to and subscribed before me this 8th

day of June ,20 10

Charlott C. Stine

Notary Public

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CHARLOTT C. STINE
115 PINE GROVE RD.
ST. MARYS, WV 26170
My Commission Expires November 18, 2013

PLEASE RETURN A COPY OF THIS INVOICE WITH YOUR PAYMENT TO:
P.O. BOX 27, ST. MARYS, WV 26170

PLEASANTS COUNTY
DEVELOPMENT AUTHORITY

NOTICE OF PUBLIC HEARING AND ABSTRACT OF BOND ORDINANCE

Notice is hereby given to any person interested that on May 10, 2010, the Board of the Pleasants County Development Authority (the "Issuer"), adopted an ordinance which, among other things:

1. Authorized the acquisition, construction and equipping of certain waterworks facilities to be located in Pleasants County (the "Facilities") and the financing of the cost, not otherwise provided, thereof through the issuance of not more than $5,000,000 in aggregate principal amount of Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) and Waterworks Lease Revenue Bonds, Series 2010 B/C (West Virginia Water Development Authority) (collectively, the "Bonds").

2. Directed that the Bonds be issued in such principal amounts, bear interest at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates, mature on such dates and in such amounts and redeemable, in whole or in part, as prescribed in a supplemental resolution or in the Loan Agreements for the Bonds; authorized the execution and delivery of the Loan Agreements.

3. Directed the creation of a revenue fund and the disposition of certain leases of the Facility; provided for the payment of debt service on the Bonds; directed the creation of sinking funds and reserve accounts for the Bonds; directed the creation of a bond construction trust fund and the disbursement of Bond proceeds.

4. Provided that the Bonds shall not 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 of the Issuer; pledged the Net Revenues of the Issuer to payment of the Bonds and established the rights of the registered owners of the Bonds to the Net Revenues of the Issuer; provided certain conditions for the issuance of additional bonds.

5. Established the events of default and the remedies of the registered owners of the Bonds; and provided for the modification or amendment of the Ordinance upon the terms and conditions set forth in the Ordinance.

The Issuer contemplates the issuance of the Bonds described in and under the conditions set forth in the Ordinance abstracted above. Any person interested may appear before the Board of the Pleasants County Development Authority at a special meeting on May 24, 2010, at 5:30 p.m., at 2272 North Pleasants Highway, St. Marys, West Virginia, and present protests and be heard as to whether the above-described Ordinance shall be put into effect.

A certified copy of the Ordinance as adopted by the Board is on file with the Secretary for review by interested persons during the office hours of the Issuer.

James McGoldrick
Secretary

5-12, 19 O

AR-1

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $3,000,000

FOR VALUE RECEIVED, on this 11th day of June, 2010, the PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public corporation with perpetual existence (the "Issuer") created by The County Commission of Pleasants County, West Virginia (the "County Commission"), promises to pay solely from the funds provided therefore, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, the sum of THREE MILLION DOLLARS ($3,000,000), in installments on March 1, June 1, September 1 and December 1 of each year commencing December 1, 2012, 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.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). 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 United Bank, Inc., 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 the Council, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement

by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council, dated June 11, 2010.

This Bond is issued (i) to capitalize interests on the Series 2010 A Bonds; (ii) to fully fund the Series 2010 A Bonds Reserve Account; (iii) to pay a portion of the costs of acquisition and construction of certain waterworks facilities (the "Project"); and (iv) to pay certain costs of issuance of this Bond and related costs. The Project and any further additions, betterments improvements and extensions thereto are herein called the "Facilities." 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 7, Article 12, Chapter 8, Article 16 and Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), a Bond Ordinance duly enacted by the Issuer on May 26, 2010, and a Supplemental Resolution duly adopted by the Issuer on May 26, 2010 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for this Bond under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B, ISSUED SIMULTANEOUSLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $100,000.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) of the Issuer and is payable on a parity with the pledge of Net Revenues in favor of the holders of the Series 2010 B Bonds, and from unexpended proceeds of this Bond. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Net Revenues and unexpended proceeds of this Bond. Issuer has entered into certain covenants with the Registered Owner of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owner of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements in the Bond Legislation, 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 or legal representative duly authorized in writing, upon surrender of this Bond, together with a written instrument of transfer satisfactory to the

Registrar, duly executed by the Registered Owner or its attorney or legal representative duly authorized in writing.

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of acquisition and construction of the Project and the costs of issuance hereof as 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 owner of this Bond.

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

NUMBER

AR-1

IN WITNESS WHEREOF, the PLEASANTS COUNTY DEVELOPMENT AUTHORITY has caused this Bond to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

President

SPECIMEN

[SEAL]

ATTEST:

Secretary

SPECIMEN

NUMBER

AR-1

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: June 11, 2010.

UNITED BANK, INC.
as Registrar

SPECIMEN

Authorized Officer

NUMBER

AR-1

EXHIBIT A

RECORD OF ADVANCES

SPECIMEN

	AMOUNT	DATE		AMOUNT	DATE
(1)	$30,500	June 11, 2010	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

NUMBER

AR-1

SPECIMEN

EXHIBIT B
SCHEDULE OF ANNUAL DEBT SERVICE

BOND DEBT SERVICE

Pleasants County Development

IF

0% Interest Rate

15 Years

Dated Date 6/11/10

Delivery Date 6/11/10

Period Ending	Principal	Interest	Debt Service
6/11/10			
12/1/12	50,000		50,000
3/1/13	50,000		50,000
6/1/13	50,000		50,000
9/1/13	50,000		50,000
12/1/13	50,000		50,000
3/1/14	50,000		50,000
6/1/14	50,000		50,000
9/1/14	50,000		50,000
12/1/14	50,000		50,000
3/1/15	50,000		50,000
6/1/15	50,000		50,000
9/1/15	50,000		50,000
12/1/15	50,000		50,000
3/1/16	50,000		50,000
6/1/16	50,000		50,000
9/1/16	50,000		50,000
12/1/16	50,000		50,000
3/1/17	50,000		50,000
6/1/17	50,000		50,000
9/1/17	50,000		50,000
12/1/17	50,000		50,000
3/1/18	50,000		50,000
6/1/18	50,000		50,000
9/1/18	50,000		50,000
12/1/18	50,000		50,000
3/1/19	50,000		50,000
6/1/19	50,000		50,000
9/1/19	50,000		50,000
12/1/19	50,000		50,000
3/1/20	50,000		50,000
6/1/20	50,000		50,000
9/1/20	50,000		50,000
12/1/20	50,000		50,000
3/1/21	50,000		50,000
6/1/21	50,000		50,000
9/1/21	50,000		50,000
12/1/21	50,000		50,000
3/1/22	50,000		50,000
6/1/22	50,000		50,000
9/1/22	50,000		50,000
12/1/22	50,000		50,000
3/1/23	50,000		50,000
6/1/23	50,000		50,000

NUMBER

AR-1

SPECIMEN

BOND DEBT SERVICE

Pleasants County Development

IF

0% Interest Rate

15 Years

Period Ending	Principal	Interest	Debt Service
9/1/23	50,000		50,000
12/1/23	50,000		50,000
3/1/24	50,000		50,000
6/1/24	50,000		50,000
9/1/24	50,000		50,000
12/1/24	50,000		50,000
3/1/25	50,000		50,000
6/1/25	50,000		50,000
9/1/25	50,000		50,000
12/1/25	50,000		50,000
3/1/26	50,000		50,000
6/1/26	50,000		50,000
9/1/26	50,000		50,000
12/1/26	50,000		50,000
3/1/27	50,000		50,000
6/1/27	50,000		50,000
9/1/27	50,000		50,000
	3,000,000		3,000,000

NUMBER

AR-1

ASSIGNMENT

SPECIMEN

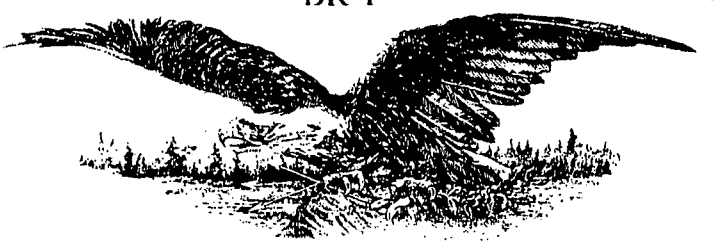
FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within _____ Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____, ___.

_____

In the presence of:

_____



SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATER PROJECT BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. BR-1 $100,000

FOR VALUE RECEIVED, on this 11th day of June, 2010, the PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public corporation with perpetual existence (the "Issuer") created by The County Commission of Pleasants County, West Virginia (the "County Commission"), promises to pay solely from the funds provided therefore, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, the sum of ONE HUNDRED THOUSAND DOLLARS ($100,000), in installments on October 1 of each year, commencing October 1, 2013, 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 on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefore, and until payment of such installment, such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 2010. 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 United Bank, Inc., 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 the Council, and upon the

SPECIMEN

terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, dated June 11, 2010.

This Bond is issued (i) to capitalize interest on the Series 2010 B Bonds; (ii) to fully fund the Series 2010 B Bonds Reserve Account; (iii) to pay a portion of the costs of acquisition and construction of certain waterworks facilities (the "Project"); and (iv) to pay certain costs of issuance of this Bond and related costs. The Project and any further additions, betterments improvements and extensions thereto are herein called the "Facilities." 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 7, Article 12, Chapter 8, Article 16 and Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), a Bond Ordinance duly enacted by the Issuer on May 26, 2010, and a Supplemental Resolution duly adopted by the Issuer on May 26, 2010 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for this Bond under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A ISSUED ON JUNE 11, 2010, PURSUANT TO THE BOND LEGISLATION ISSUED ON JUNE 11, 2010, IN THE AGGREGATE PRINCIPAL AMOUNT OF $3,000,000 (THE "SERIES 2010 BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) of the Issuer and is payable on a parity with the pledge of Net Revenues in favor of the holders of the Series 2010 A Bonds, and from unexpended proceeds of this Bond. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Net Revenues and unexpended proceeds of this Bond. Issuer has entered into certain covenants with the Registered Owner of this Bond for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owner of this Bond are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements in the Bond Legislation, 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 or legal representative duly authorized in writing, upon

SPECIMEN

surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney or legal representative duly authorized in writing.

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of acquisition and construction of the Project and the costs of issuance hereof as 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 owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that Net Revenues of the Issuer have been pledged to and will be used 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 PLEASANTS COUNTY DEVELOPMENT AUTHORITY has caused this Bond to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

SPECIMEN

President

[SEAL]

ATTEST:

SPECIMEN

Secretary

BR-1

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: June 11, 2010.

UNITED BANK, INC.
as Registrar

SPECIMEN

Authorized Officer

SPECIMEN

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$100,000	June 11, 2010	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

SPECIMEN

EXHIBIT B
SCHEDULE OF ANNUAL DEBT SERVICE

BOND DEBT SERVICE

Pleasants County Development Authority

WDA

4% Interest Rate

Dated Date 6/11/10

Delivery Date 6/11/10

Period Ending	Principal	Coupon	Interest	Debt Service
6/11/10				
10/1/10			1,222.22	1,222.22
4/1/11			2,000.00	2,000.00
10/1/11			2,000.00	2,000.00
4/1/12			2,000.00	2,000.00
10/1/12			2,000.00	2,000.00
4/1/13			2,000.00	2,000.00
10/1/13	4,994	4.000%	2,000.00	6,994.00
4/1/14			1,900.12	1,900.12
10/1/14	5,194	4.000%	1,900.12	7,094.12
4/1/15			1,796.24	1,796.24
10/1/15	5,402	4.000%	1,796.24	7,198.24
4/1/16			1,688.20	1,688.20
10/1/16	5,618	4.000%	1,688.20	7,306.20
4/1/17			1,575.84	1,575.84
10/1/17	5,842	4.000%	1,575.84	7,417.84
4/1/18			1,459.00	1,459.00
10/1/18	6,076	4.000%	1,459.00	7,535.00
4/1/19			1,337.48	1,337.48
10/1/19	6,319	4.000%	1,337.48	7,656.48
4/1/20			1,211.10	1,211.10
10/1/20	6,572	4.000%	1,211.10	7,783.10
4/1/21			1,079.66	1,079.66
10/1/21	6,835	4.000%	1,079.66	7,914.66
4/1/22			942.96	942.96
10/1/22	7,108	4.000%	942.96	8,050.96
4/1/23			800.80	800.80
10/1/23	7,392	4.000%	800.80	8,192.80
4/1/24			652.96	652.96
10/1/24	7,688	4.000%	652.96	8,340.96
4/1/25			499.20	499.20
10/1/25	7,996	4.000%	499.20	8,495.20
4/1/26			339.28	339.28
10/1/26	8,316	4.000%	339.28	8,655.28
4/1/27			172.96	172.96
10/1/27	8,648	4.000%	172.96	8,820.96
	100,000		44,133.82	144,133.82

BR-1

SPECIMEN

ASSIGNMENT

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

Dated: _____, __.

_____

In the presence of:

_____

BOND REGISTER 2.12(A)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Bond Number	Principal Amount	Date of Bond
No. AR-1	$3,000,000	June 11, 2010

NO WRITING ON THIS BOND REGISTER EXCEPT BY THE REGISTRAR

Name of Registered Owner:

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

Signature of Registrar:

United Bank, Inc.
Charleston, West Virginia

Authorized Representative

BOND REGISTER 2.12(B)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Bond Number	Principal Amount	Date of Bond
No. BR-1	$100,000	June 11, 2010

NO WRITING ON THIS BOND REGISTER EXCEPT BY THE REGISTRAR

Name of Registered Owner:

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

Signature of Registrar:

United Bank, Inc.
Charleston, West Virginia

Authorized Representative

_____

_____

_____

SUE E MORGAN
PLEASANTS County 01:29:11 PM
Instrument No 589833
Date Recorded 06/11/2010
Document Type TRUSTDEED
Book-Page 142-536

THIS IS A CREDIT LINE DEED OF TRUST

CREDIT LINE DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING

THIS CREDIT LINE DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING ("Deed of Trust"), made this 11th day of June, 2010, by and between the **PLEASANTS COUNTY DEVELOPMENT AUTHORITY**, a county development authority and public corporation with perpetual existence in Pleasants County, West Virginia whose address is 1500 309 Second Street, St. Marys, West Virginia 26170 ("Grantor"), **CHRIS JARRETT** whose business address is 180 Association Drive, Charleston, West Virginia 25311, as Trustee, and the **WEST VIRGINIA WATER DEVELOPMENT AUTHORITY**, a body corporate and governmental instrumentality of the State of West Virginia whose address is 180 Association Drive, Charleston, West Virginia 25311 ("Secured Party"), as the beneficial holder of the Secured Obligation (as hereinafter defined), under those certain loan agreements between the Grantor and the Secured Party ("Loan Agreement") between the Grantor and the Secured Party, dated as of June 11, 2010.

WITNESSETH:

That for and in consideration of the indebtedness and trusts hereinafter set forth and of the sum of Ten Dollars ($10.00), cash in hand paid, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby **GRANT** and **CONVEY** unto the Trustee, with power of sale, upon the conditions hereinafter set forth, all of the following:

(A) All of those certain lots, tracts or parcels of real estate, together with the improvements now or hereafter constructed and situate thereon and all appurtenances thereunto belonging or in any wise appertaining, situate and being in the Union District in Pleasants County, West Virginia, and more particularly described on Exhibit A hereto attached and by this reference incorporated in and made a part of this Deed of Trust.

(B) All right, title and interest of Grantor now owned or hereafter acquired in and to any and all sidewalks, alleys, roadways, drives, lanes, streets and all strips and gores of land adjacent to or used in connection with such real estate and all easements and rights of way in connection therewith.

(C) All buildings, improvements and fixtures of every kind, and all machinery, equipment and property which are or shall be attached to, or be deemed to be, fixtures and a part of the real estate herein conveyed.

(D) All equipment, materials, supplies and other property of every kind and nature whatsoever, purchased with proceeds of those certain Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A and the Series 2010 B/C (the "Bonds") in an aggregate principal amount not to exceed $5,000,000, now or hereafter owned by Grantor or in which it has or shall have an interest, procured for incorporation in or to be affixed to buildings or other improvements on the above described real estate or appurtenant thereunto.

(E) All furniture, furnishings, equipment and other items of tangible personal property purchased with proceeds of the Bonds, now owned or hereafter acquired by Grantor, which are used or useful in the buildings or other improvements on such real estate.

(F) All rentals, income, payments, receipts, issues and profits that may accrue from the aforesaid real estate and improvements or any part thereof, including all proceeds, both cash and non-cash, of the foregoing; provided, however, that, so long as Grantor shall not be in default hereunder, Grantor shall be entitled to collect and receive all said rents, income, issues and profits.

(G) All licenses, permits, certificates and approvals issued to or held by Grantor that are necessary for the use or operation of the Property.

All property described above, together with the real estate described above, shall secure the indebtedness herein described and covered by this Deed of Trust, and all the foregoing property, interests in property and other rights and interests are herein sometimes referred to collectively as the "Property."

TO HAVE AND TO HOLD the Property unto the Trustee and its successor in trust forever; and Grantor does hereby covenant to and with the Trustee and the Secured Party that Grantor will **WARRANT GENERALLY** the Property; that Grantor has the right to convey the Property to the Trustee; that the same is free from any and all liens and encumbrances other than the real estate taxes which have been assessed but which are not yet due and payable, and other exceptions, if any, which are approved in writing by the Secured Party; that the Trustee will have quiet possession thereof; and that Grantor will execute such further assurances of the Property as may be requisite, including, but not limited to, the execution and delivery of financing statements and such other instruments as Secured Party may require to impose the lien hereof more specifically upon any item or items of property, or rights or interests therein, covered by this Deed of Trust.

IN TRUST NEVERTHELESS to secure the Grantor's obligations under the Loan Agreement and Bond Ordinance duly enacted by the Grantor on May 24, 2010, as supplemented by a Supplemental and Amendatory Resolution duly adopted by the Grantor on May 24, 2010 (collectively, the "Bond Ordinance"), and which has been assigned to the Secured Party (except for certain retained rights); specifically including without implied limitation the obligation thereunder to make such payments of rent and other payments sufficient to permit the Issuer to make, as and when due, all payments of the principal, premium, if any, and interest on the Bonds issued pursuant to the Bond Ordinance in the aggregate principal amount not to exceed Five Million Dollars ($5,000,000), and also to secure the payment of any and all extensions, modifications, substitutions and/or renewals of the indebtedness, or any part thereof, however changed in form, manner or amount, together with all the interest that may be due thereon (collectively, the "Secured Obligations").

This Deed of Trust is intended to constitute a security agreement, governed by the Uniform Commercial Code of West Virginia (the "Code"), with respect to any part of the Property which might now or hereafter be characterized as personal property or fixtures, and

Grantor does hereby **GRANT** a security interest therein to Secured Party. On default hereunder or under the Indenture of Mortgage, in addition to the rights, remedies and powers herein set forth, Secured Party and the Trustee shall have, as to any and all fixtures and personal property covered by this Deed of Trust, all rights, remedies and powers of a secured party under the Code. The Grantor will, from time to time as requested by the Trustee or Secured Party, execute, acknowledge and deliver any financing statement, renewal affidavit, certificate, continuation statement, inventory or other document that the Trustee or Secured Party might request in order to perfect, protect, preserve, continue, extend or maintain the security interest created by and the priority of this Deed of Trust and will, on demand, pay any expenses incurred by the Trustee and Secured Party, or either of them, in the preparation, execution and filing of any such documents.

Grantor covenants, represents, warrants and agrees as follows:

1. Grantor will, so long as the Secured Obligations or any part thereof remains unpaid: (a) pay as and when due and payable all taxes, assessments and other governmental charges and fees that may be levied or assessed against the Property, including the buildings and improvements now situate on the Property, or that may hereafter be erected thereon, and any improvements and additions made therein or thereunto from time to time and will furnish annually to Secured Party receipts showing the payment of such taxes, assessments, charges and fees; (b) have and keep the building and improvements now situate on the Property or that may hereafter be erected thereon, and all other insurable property covered by this Deed of Trust, constantly insured against the loss or damage by fire and such other causalities, contingencies and hazards as Secured Party may require, in one or more responsible and solvent insurance companies authorized to transact business in the State of West Virginia approved by Secured Party, and in an amount satisfactory to Secured Party, with a standard mortgage clause, provide for written notice of cancellation to Secured Party of not less than 30 days, non-contributory, providing that loss or damage shall be payable to Secured Party as Secured Party's interest may appear, and will pay the premiums for such insurance as the same become due and payable and deliver the policy or policies of such insurance and all renewals thereof, to Secured Party, and, if such Property shall be damaged by fire or other casualty insured against, Secured Party shall be entitled to receive the proceeds of such insurance to the extent of the unpaid balance of the Secured Obligations and shall apply such proceeds, in Secured Party's discretion, to the Secured Obligations or to restore the Property; (c) keep and maintain the Property in good condition and repair and not abandon the same, or any part thereof, not commit or permit the commission of waste on or in the Property, or any part thereof, or permit any building or improvement to be removed, destroyed, demolished or structurally altered in whole or in part, and Grantor shall comply, and cause all occupants of the Property or those in possession thereof to comply, with all laws, ordinances, rules and regulations relating to the use or maintenance of the Property and with all requirements, directions and orders and notices of violations thereof issued by any governmental agency, body or officer; (d) permit the Trustee or Secured Party, or either of them, or their agents, to enter and inspect the Property at all reasonable times; (e) pay to the Trustee or to Secured Party, upon demand, any and all sums of money, including all costs, expenses and reasonable attorneys' fees, which the Trustee or Secured Party, or either of them, may incur or expend in any action or proceeding that may concern the Property, or any part thereof or interest therein, including without limitation any eminent domain proceeding, or any action or proceeding to sustain the lien of this Deed of Trust or its priority or in defending any

party thereto, or any party secured hereby, against the liens, demands or claims of title of any person, firm or corporation, asserting priority over this Deed of Trust, or asserting title adverse to the title under this Deed of Trust, or asserting title adverse to the title under which the Trustee holds or in connection with any action to foreclose this Deed of Trust, or to recover any indebtedness secured hereby; and (f) otherwise to perform as and when required each and every obligation required under the Lease and by the Secured Obligations.

2. In the event Grantor: (a) fails to make any payment required or fails to comply with, perform or carry out any of the provisions of Paragraph 1 hereof; (b) fails to perform any of the terms, covenants or agreements by Grantor to be performed under this Deed of Trust; or (c) is otherwise in default under this Deed of Trust, including, but not limited to failure to pay advances made by Secured Party to protect the lien and security hereof as provided herein and interest on any future advances and all other items of the Secured Obligations when due, then, and in any such event, Secured Party shall have the right, without notice to or demand upon Grantor or any other person, to make any such payment, take any such action or do any such thing as, in the exercise of Secured Party's discretion, may be determined to be reasonably necessary to protect the lien and security hereof as fully and completely as if Grantor made each and every such payment when due, and kept, complied with, performed and carried out the provisions of said Paragraph 1 in every respect. Without limiting the generality of the foregoing, Secured Party may, in any such event: (a) obtain the required insurance covering the Property and pay the premiums thereon or pay any unpaid premiums on any insurance procured by Grantor; (b) pay said taxes, assessments and other governmental charges and fees together with any penalties and interest accrued thereon, and redeem the Property from a tax sale if it has been sold, and shall be subrogated to the lien of the governmental body to which such payment was made; (c) make and pay for any and all repairs which Secured Party deems necessary to place or keep the Property in good condition and repair; (d) stop or mitigate waste on or in the Property or any part thereof; (e) stop or prevent the removal, destruction, demolition or structural alteration of any building or improvement on the Property; (f) stop or prevent the violation of any law, ordinance, rule or regulation relating to the use or maintenance of the Property or of any requirement, direction or order or notice of violation thereof issued by any governmental agency, body or officer; and, (g) pay all or any part of any sum or sums of money that may be due or payable under the provisions of Paragraph 1 hereof; and Grantor hereby promises to pay to Secured Party, upon demand, any and all sums of money paid out or expended by Secured Party, for any of the purposes set out in this Paragraph 2, together with interest thereon from the date of payment at an annual rate equal to the rate of interest accruing on the principal of the Bonds (the "Default Rate"), and agrees that any sum or sums of money so paid by Secured Party or by the Trustee, or either of them, shall be collectible as such, all without waiver of any right arising from the breach of or default in the performance of any warranty, covenant, condition, provision or agreement herein contained or contained in the Lease or the Indenture of Mortgage, including the right to enter and take possession of the Property, and rent and manage the same, and the right to foreclose this Deed of Trust; but nothing herein contained shall be construed as imposing any duty or obligation upon Secured Party, or upon the Trustee, to pay any such sum or sums of money herein authorized to be paid, or to take any other action authorized hereunder.

3. A. For the purposes of this Deed of Trust: (a) "hazardous materials" means and includes petroleum products, flammable explosives, radioactive materials, asbestos or

any material containing asbestos, polychlorinated biphenyls or any hazardous, toxic or dangerous waste, substance or material defined as such or defined as a hazardous substance or other similar term by, in or for the purposes of any environmental laws; and, (b) "environmental laws" means any "superfund" or "superlien" law or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree, regulating, relating to or imposing liability or standards of conduct concerning any hazardous materials as may now or at any time hereafter be effect, including, but not limited to, the Comprehensive Response, Compensation and Liability Act and all regulations promulgated thereunder.

B. To the best of Grantor's knowledge, both Grantor and the Property are in compliance with all environmental laws.

C. At any time during the term of the loan secured by this Deed of Trust, Grantor shall provide Secured Party, at the expense of Grantor, with such reports of inspection or audits of the Property as Secured Party may request, prepared by qualified consultants approved by Secured Party, certifying as to the presence or absence of hazardous materials on the Property, and Grantor shall permit Secured Party, its agents and employees, to inspect or audit the Property, and for such purpose to enter upon the Property and to conduct all such tests as Secured Party shall determine to be necessary.

D. Grantor shall not place or permit to be placed on the Property any hazardous materials. If, at any time, it is determined by Secured Party that hazardous materials are or may be located on the Property which, under any applicable environmental laws, requires special handling in collection, storage, treatment or disposal, Grantor shall, within thirty days after receiving written notice thereof, take or cause to be taken, at its sole expense, such actions as may be necessary to comply with all applicable environmental laws.

E. Grantor shall indemnify Secured Party and the Trustee and shall hold Secured Party and the Trustee harmless from and against all loss, damage and expense, including without limitation, attorneys' fees and costs incurred in the investigation, defense and settlement of claims, that Secured Party or the Trustee may incur as the result of or in connection with the assertion against Secured Party or the Trustee of any claim directly or indirectly, in whole or in part, as to the presence or removal of any hazardous materials, or relating to any activities on or affecting the Property, whether prior to or during the term of the loan secured by this Deed of Trust, and whether such activity was carried on by Grantor or any predecessor in interest of Grantor or any other person. Grantor shall promptly notify Secured Party and the Trustee in writing of any order or pending or threatened action by any regulatory agency or other governmental body, or any claims made by any third party relating to environmental laws of hazardous materials on or emanations from the Property and shall promptly furnish Secured Party and the Trustee with copies of any correspondence or legal pleadings in connection therewith. Secured Party and the Trustee shall have the right, but absolutely no duty, to take any action they deem necessary or desirable, including without limitation appearing in or defending any such claims or actions, all at the cost of Grantor.

F. The obligations and liabilities of Grantor under this Paragraph shall survive any foreclosure or the delivery of a deed in lieu of foreclosure of this Deed of Trust.

4. The occurrence of any of the following events shall constitute an event of default hereunder (hereinafter called an "Event of Default"), and, upon the occurrence of any Event of Default, the Secured Obligations shall at the option of Secured Party, subject to the terms of the Lease and any notices required under the Loan Agreement, immediately become due and payable without notice to or demand on Grantor, or any other person: (a) if default shall be made in the performance of the Secured Obligations or the payment of any required payments under the Loan Agreement or this Deed of Trust or the interest thereon; (b) if default shall be made in the performance of the Prior Obligations or the payment of any required payments under the agreement underlying the Prior Obligations or deed of trust securing such transaction; (c) if default shall be made in the payment, as and when due and payable, of any tax, assessment or other governmental charge or fee or of any insurance premium or if the required insurance is not effected by Grantor or the policies delivered to Secured Party as herein required; (d) if there shall be a breach of or default in the performance of any covenant, condition, agreement, warranty or provision contained in the Loan Agreement or this Deed of Trust; (e) if Grantor shall become insolvent or make an assignment for the benefit of creditors, or if any petition for bankruptcy or arrangement pursuant to the Federal Bankruptcy Code, or any similar federal or state law, shall be filed by or against any of Grantor; (f) if any representation or warranty made or furnished to Secured Party by Grantor in connection with this Deed of Trust proves to have been substantially untrue; (g) if there shall now or hereafter exist upon the Property, or any part thereof, any claim, lien or encumbrance, other than the real estate taxes assessed but not yet due and payable or other liens and encumbrances, if any, mentioned above, which is or might be superior to the lien of this Deed of Trust, including without limitation, any mechanic's, materialmen's or similar lien (whether or not Secured Party had prior notice thereof); (h) if the Property or any part thereof or any legal or equitable interest therein is sold or transferred in any manner whatsoever, whether by deed, sales contract, lease or any other instrument, by Grantor to any person, firm, entity or corporation, except by devise or inheritance, without the consent in writing of Secured Party; or (i) if Grantor shall do or suffer to be done any act or thing which would impair the security for the Secured Obligations.

5. If any one or more Events of Default shall occur and be continuing, beyond any applicable grace period, any one or more of the following rights and remedies shall exist, any two or more of which may be exercised concurrently, independently or successively in any order whatsoever:

A. The Trustee or Secured Party may forthwith, without notice, separately or jointly: (a) enter into and upon all of the Property, either in person or by agent, and take possession of the Property without process of law, without liability to Grantor or other owner or owners of the Property, and manage and rent the same, or any part thereof, collect and receive the rents, issues and profits thereof (past due, due or become due) and apply the same to the payment of the Secured Obligations, after first deducting the costs and expenses incurred in managing the Property and in collecting said rents, issues and profits (including a commission of 10% of the total amount collected, which shall be paid to the Secured Party, or to the Trustee, as the case may be, for managing the same and collecting and disbursing said rents, issues and profits accruing therefrom), and after deducting such further amount or amounts as may be necessary to pay or reimburse said Secured Party and the Trustee for any sum or sums of money paid by

them, or any of them, under the provisions hereof, together with interest thereon at the Default Rate to the date of payment; or (b) have a receiver appointed by any court having jurisdiction to take charge of the Property and collect, receive and apply the rents, issues and profits thereof. In either case, any person or persons in possession of the Property, or any part thereof, shall be deemed a tenant at will and shall at once surrender such possession on demand of Secured Party or the Trustee or a receiver. It is understood and agreed by and between the parties hereto that nothing herein contained shall be construed as a substitute for, or in derogation of, the right to foreclosure this Deed of Trust or as imposing any duty or obligation upon Secured Party or upon the Trustee, or any of them, to take charge of the Property or to collect said rents, issues or profit or to have a receiver appointed for such purposes.

B. Without notice to or demand on Grantor or any other person, Secured Party may, at its option, declare the Secured Obligations to be immediately due and payable and upon the exercise of said option the Secured Obligations may be collected by proper action, foreclosure of this Deed of Trust or any other legal or equitable proceeding.

C. At any time after the exercise by Secured Party of the option to declare the Secured Obligations to be immediately due and payable, the Trustee, upon the written request of Secured Party, shall foreclose upon and sell the Property to satisfy the Secured Obligations at public auction at the front door of the Courthouse of Pleasants County, West Virginia, for cash in hand on the day of the sale, after first giving notice of such sale by publishing such notice in a newspaper of general circulation published in Pleasants County, West Virginia or, if there be no such newspaper(s), in a qualified newspaper(s) of general circulation in said County once a week for two successive weeks preceding the day of sale and after giving notice to Grantor as provided in Paragraph 10 at least 20 days prior to the day of sale. A copy of a notice of such sale shall be served on the Grantor by certified mail, return receipt requested, directed to the address described in Paragraph 10 hereof or such other address given to the Secured Party in writing. A notice shall be deemed complete when such notice is mailed to the aforesaid address, notwithstanding the fact that such mail may be returned as refused or undeliverable. A copy of such notice shall be served by certified mail, at least 20 days prior to the sale, upon any subordinate lien holder who has previously notified the Secured Party by certified mail of the existence of a subordinate lien. The address to which such notice to Beneficiary shall be mailed is described in Paragraph 10 hereof. Grantor hereby waives personal service of notice of any sale made hereunder, upon Grantor, its devisees, agents, successors or assigns, and also waives the posting of notice of sale at the courthouse. Secured Party may direct the Trustee to sell all or part of the Property and sales may be in such lots, parcels or other units and in such order as the Trustee determine to be most likely to maximize the total sales price, and Secured Party may become the purchaser of the Property so sold. Out of the proceeds of such sale the Trustee shall pay, first, the costs and expenses of execution this trust, including an amount equal to 2% of the gross proceeds of sale, or the sum of One Hundred Dollars ($100.00), whichever amount shall be greater, to the Trustee, or to the one so acting, as his or their commission hereunder; second, to Secured Party and the Trustee all moneys which they or any of them may have paid for taxes, assessments or other governmental charges or fees, insurance, repairs, court costs, and all other costs and expenses incurred or paid under the provisions of this Deed of Trust, together with interest thereon at the Default Rate from the date of payment; third, to Secured Party the full amount due and unpaid on the note and all interest accrued thereon to date of payment; fourth, to

the holder of any other lien or liens or record, in the order of their legal priority, such sums as may be due thereon, but such payment may be made or may not be made, in whole or in part, within the sole discretion of the Trustee; and, fifth, the balance, if any, to Grantor, Grantor's heirs, personal representatives, successors, grantees or assigns, upon delivery of and surrender to the purchaser or purchasers of possession of the Property less the expense, if any, of obtaining such possession.

6. Grantor agrees that any sale made hereunder may be adjourned from time to time without notice other than oral proclamation of such adjournment at the time and place of sale, or at the time and place of any adjourned sale.

7. The Trustee is hereby authorized to act by agent or attorney in the execution of this trust, and it shall not be necessary for the Trustee to be present in person at any foreclosure sale hereunder.

8. It is hereby expressly covenanted and agreed by all parties hereto that Secured Party may, at any time and from time to time hereafter, without noticed to or consent from either Grantor or the Trustee, appoint and substitute another trustee or trustees, corporations or persons, in place of the Trustee herein named to execute the trust herein created. Upon such appointment, either with or without a conveyance to said successor trustee or trustees of the Trustee herein named, or of any substituted trustee or trustees in case said right of appointment is exercised more than once, the new and substituted trustee or trustees in each instance shall be vested with all the rights, titles, interests, powers, duties and trusts in the Property which are vested in and conferred upon the Trustee herein named, and such new and substituted trustee or trustees shall be considered the successors and assigns of the Trustee that is named herein within the meaning of this instrument, and subscribed in its place and stead. Each such appointment and substitution shall be evidenced by an instrument in writing which shall recite the parties to and the book and page of record of this Deed of Trust, and the description of the real estate herein described, which instrument, executed and acknowledged by Secured Party and recorded in the office of the Clerk of the County Commission of Pleasants County shall be conclusive proof of the proper substitution and appointment of such successor trustee or Trustee, and notice of such proper appointment and substitution to all parties in interest.

9. THIS IS A CREDIT LINE DEED OF TRUST FOR THE PURPOSES OF W.VA. CODE §38-1-14, AND SECURES A MAXIMUM AMOUNT NOT TO EXCEED $5,000,000, and this Deed of Trust is also security for the payment of interest on such principal sums and for taxes, insurance premiums and other obligations, including interest thereon, undertaken by either Secured Party or Trustee pursuant to the provisions of this Deed of Trust. This Deed of Trust secures future advances that are intended to be obligatory, and that Secured Party has agreed to make in accordance with the provisions of the Loan Agreement, Bond Ordinance and this Deed of Trust.

10. A copy of any notice of trustee's sale under this Deed of Trust shall be served on Grantor by certified mail, return receipt requested, directed to Grantor at the address stated below or such other address given to Secured Party in writing by Grantor, subsequent to the execution and delivery of this Deed of Trust. Any other notice shall be effective upon the deposit of such notice, in writing, in the regular United States mail, postage prepaid, addressed to

the party or parties who receive such notice at the following addresses or at such other addresses any such party may give to the other parties in writing:

To Grantor:

Pleasants County Development Authority
Attn: Executive Director
309 Second Street
St. Marys, WV 26170

To Secured Party:

West Virginia Water Development Authority
180 Association Drive
Charleston, WV 25311-1751

To Trustee:

Chris Jarrett
180 Association Drive
Charleston, WV 25311-1751

11. No failure of Secured Party or the Trustee to exercise any option herein contained shall constitute a waiver of any rights or privilege herein given or granted to Secured Party or the Trustee, and a waiver by Secured Party or the Trustee of the right to exercise any option as to any breach or default shall not constitute a waiver of the right to exercise the same option, or other option herein contained, as to another or any continuing or subsequent breach or default.

12. This Deed of Trust shall be governed by the laws of the State of West Virginia, and, if any term or provision of this Deed of Trust contravenes or is in conflict with any law of the State of West Virginia or any other applicable law or regulation, such term or provision is amended and modified to conform with such law.

13. All covenants, agreements, representations and warranties are made and given by Grantor and shall extend to and bind its successors and assigns, and shall inure to the benefit of Secured Party, the Trustee, and their respective successors and assigns.

14. This Credit Line Deed of Trust is to be filed of record in the office of the Clerk of the County Commission of Pleasants County, West Virginia, so as to serve as a fixture filing pursuant to Section 46-9-502 of the West Virginia Code.

WITNESS the following signature:

THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY

By _____
Its President

STATE OF WEST VIRGINIA,

COUNTY OF PLEASANTS, to-wit:

The foregoing instrument was acknowledged before me this 9th day of June, 2010, by F. Michael Nelson, the President of the Pleasants County Development Authority, a county development authority and public corporation with perpetual existence in Pleasants County, West Virginia.

My commission expires: April 6, 2014.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SAMME L. GEE
Jackson Kelly PLLC
P. O. Box 553
Charleston, WV 25322
My Commission Expires April 6, 2014

_____
NOTARY PUBLIC

This instrument was prepared by Ryan White, Esq., Jackson Kelly PLLC, P. O. Box 553, Charleston, WV 25322.

EXHIBIT A

PROPERTY DESCRIPTION ATTACHED

PROPERTY DESCRIPTION

FOR

PLEASANT RIDGE TANK SITE (PART OF UNION TM 6, PCL 14)

(MARCH 2, 2009 REVISED TAX DISTRICT)

SITUATE IN AND BEING A PART OF UNION DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE JAMES ELDER 3.361 ACRE TRACT, DEED BOOK 250, PAGE 428 AND THE RODNEY PETHTEL 30.00 ACRE TRACT, DEED BOOK 242, PAGE 467, WHERE THE NORTHWEST CORNER OF THE ELDER TRACT BEARS N 16° *16' 45" W 462.10 FEET.*

THENCE S 16° 16' 45" E 100.00 FEET WITH THE COMMON LINE BETWEEN THE PETHTEL TRACT AND THE ELDER TRACT TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 73° 43' 15" W 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 16° 16' 45" W 100.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 73° 43' 15" E 50.00 FEET TO THE PLACE OF BEGINNING.

CONTAINING 0.115 ACRES AND BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO RODNEY PETHTEL IN DEED BOOK 242, PAGE 467.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 19, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS LICENSED 1241 STATE OF WEST VIRGINIA

NELSON B. DOUGLASS
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
1-304-485-4258 FAX
Email wda1@charter.net

EXHIBIT
A

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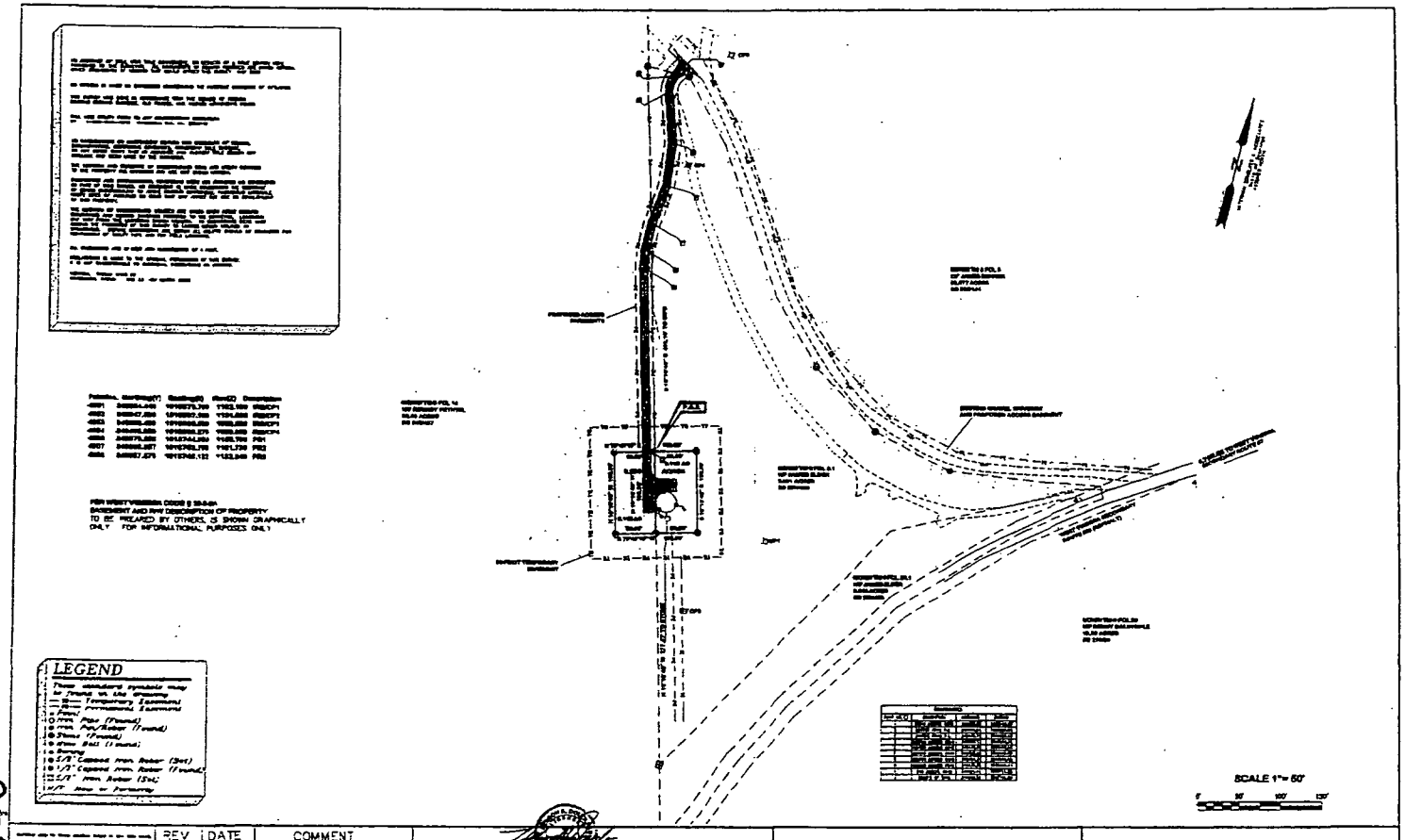


REV	DATE	COMMENT
0	8/3/06	ISSUE
1	7/1/2008	ADDITIONAL AREA
2	12/19/06	FINAL PLAT & CONTROL POINTS

Nelson B. Douglass [illegible]; P.S. 01341 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 128
Parkersburg, WV 26103-0128
1-304-428-8715 1-304-485-4258 Fax wdal@charter.net

MCKIM DISTRICT
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 6, PARCEL 3.1
TAX MAP 6, PARCEL 14

BOUNDARY SURVEY OF THE
PLEASANTS RIDGE TANK SITE
FOR PLEASANTS COUNTY P.S.D.

PROJECT NO. [illegible]

Date: 07/12/2006 Revised 12/19/2006 SHEET 1 OF 1

EXHIBIT
B

BOOK 142 PAGE 548

PROPERTY DESCRIPTION

FOR

PLEASANT RIDGE TANK SITE (PART OF ~~MCKIM~~ UNION TM 6, PCL 3.1)

SITUATE IN AND BEING A PART OF MCKIM DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE JAMES ELDER 3.361 ACRE TRACT, DEED BOOK 250, PAGE 428 AND THE RODNEY PETHTEL 30.00 ACRE TRACT, DEED BOOK 242, PAGE 467, WHERE THE NORTHWEST CORNER OF THE ELDER TRACT BEARS N 16° *16' 45" W 462.10 FEET.*

THENCE N 73° 43' 15" E 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 16° 16' 45" E 100.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 73° 43' 15" W 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE PETHTEL TRACT AND THE ELDER TRACT;

THENCE N 16° 16' 45" W 100.00 FEET WITH THE COMMON LINE BETWEEN THE PETHTEL TRACT AND THE ELDER TRACT TO THE PLACE OF BEGINNING.

CONTAINING 0.115 ACRES AND BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO JAMES ELDER IN DEED BOOK 250, PAGE 428.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 19, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

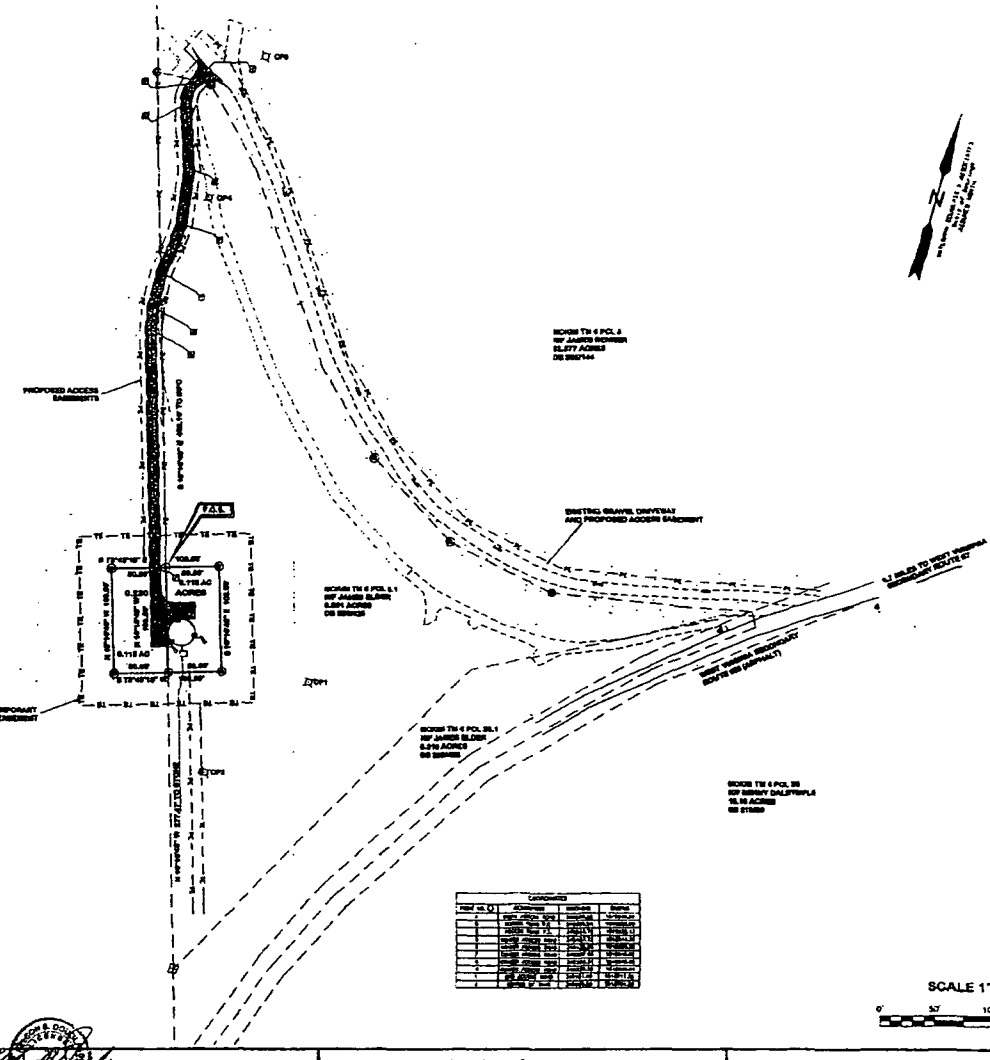
NELSON B. DOUGLASS LICENSED 1241 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

NELSON B. DOUGLASS
Registered Surveyor No. 1241, WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
1-304-485-4258 FAX
Email wda1@charter.net

PointNo.	Northing(Y)	Easting(X)	Elev(Z)	Description
4001	349054.440	1518978.790	1153.199	IRS/CP1
4002	349047.080	1518987.100	1131.808	IRS/CP2
4003	349096.480	1518996.990	1088.520	IRS/CP3
4004	349096.950	1519000.270	1088.550	IRS/CP4
4006	349079.529	1518744.954	1169.750	PR1
4007	349068.387	1518763.798	1191.730	PR2
4008	349067.578	1518748.132	1182.940	PR3

PER WEST VIRGINIA CODE § 39-3-9A
EASEMENT AND RAW DESCRIPTION OF PROPERTY
TO BE PREARED BY OTHERS, IS SHOWN GRAPHICALLY
ONLY. FOR INFORMATIONAL PURPOSES ONLY.



LEGEND

These standard symbols may be found in the drawing.

- — T — *Temporary Easement*
- — P — *Permanent Easement*
- *Point*
- *Iron Pipe (Found)*
- *Iron Pin/Rebar (Found)*
- *Stone (Found)*
- *Mine Bolt (Found)*
- *Boring*
- *5/8" Capped Iron Rebar (Set)*
- *1/2" Capped Iron Rebar (Found)*
- *16/8" Iron Rebar (Set)*

N/F New or Formerly

SCALE 1" = 50'

0' 50' 100' 150'

REV.	DATE	COMMENT
0	6/3/06	ISSUE
1	7/12/06	ADDITIONAL AREA
2	12/19/06	FINAL PLAT & CONTROL POINTS

Nelson B. Douglass [illegible]H; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 126
Parkersburg, WV 26102-0126
1-304-428-5715 1-304-485-4258 Fax wda1@charter.net

~~BEAM~~ LAVIEW DISTRICT
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 6, PARCEL 3.1
TAX MAP 6, PARCEL 14

BOUNDARY SURVEY OF THE
PLEASANTS RIDGE TANK SITE
FOR PLEASANTS COUNTY P.S.D.

PROJECT NO. 2006-0107

Date: 07/12/2006 Revised 12/19/2006 SHEET 1 OF 1

PROPERTY DESCRIPTION
FOR
PLEASANT RIDGE BOOSTER STATION SITE (BARNHART TRACT)

SITUATE IN AND BEING A PART OF UNION DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE NETTIE BARNHART 2.93 ACRE TRACT, DEED BOOK 258, PAGE 308, AND THE PAUL MARTIN 1.5 ACRE TRACT, DEED BOOK 156, PAGE 524, WHERE THE SOUTHEAST CORNER OF THE RAVEN ROCK UNITED METHODIST CHURCH TRACT BEARS N 32° *12' 06" W 51.24 FEET;*

THENCE S 32° 12' 06" E 53.69 FEET WITH THE COMMON LINE BETWEEN THE MARTIN TRACT AND THE BARNHART TRACT TO A 5/8" CAPPED IRON REBAR (SET);

THENCE S 36° 25' 49" W 4.97 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 53° 34' 11" W 50.00 FEET TO A 5/8" CAPPED IRON REBAR (SET);

THENCE N 36° 25' 49" E 24.53 FEET TO THE PLACE OF BEGINNING;

CONTAINING 0.017 ACRES, BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO NETTIE BARNHART IN DEED BOOK 258, PAGE 308.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 29, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS,
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
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PARKERSBURG, WV 26102-0126
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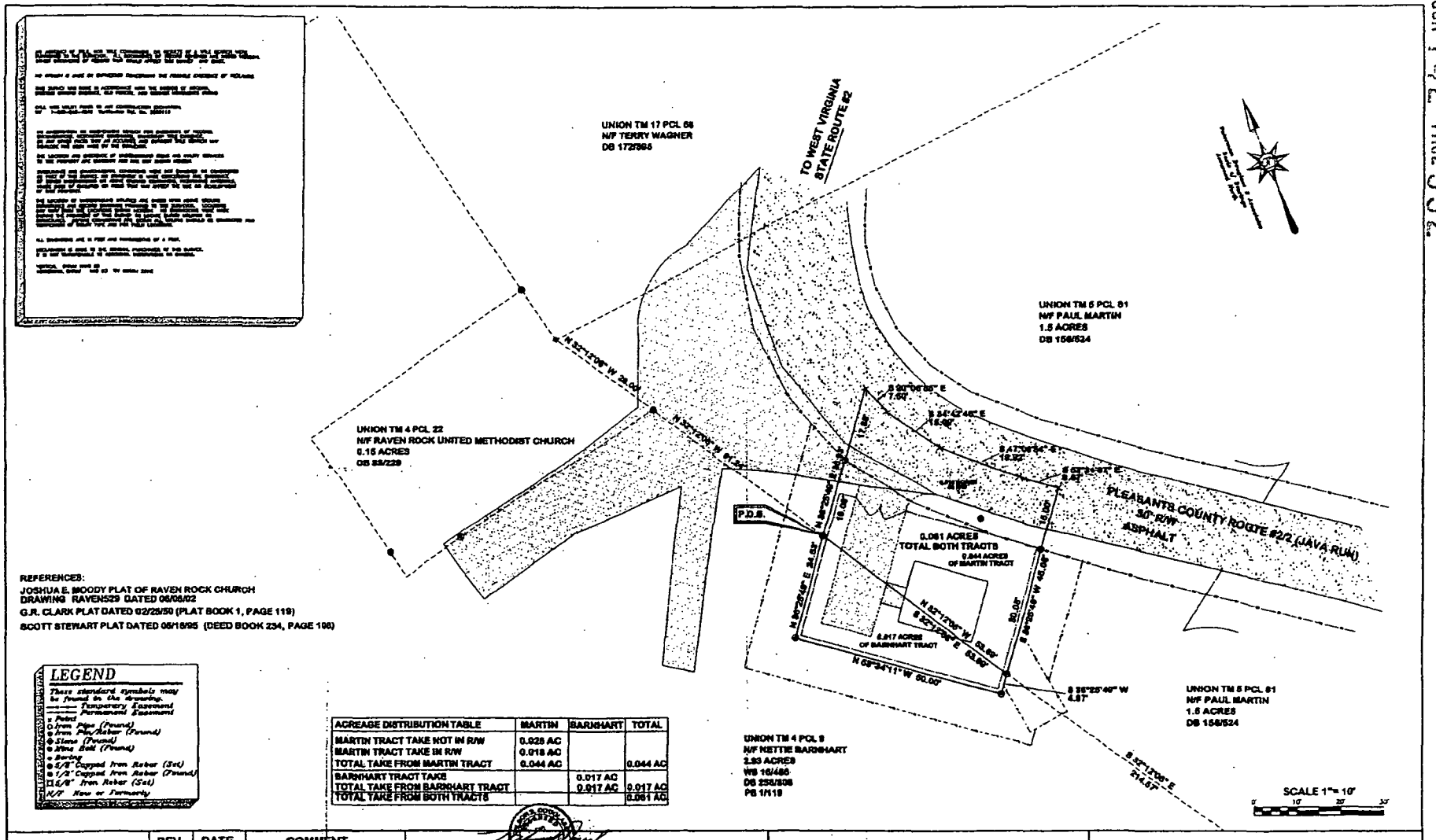

REFERENCES:
JOSHUA E. MOODY PLAT OF RAVEN ROCK CHURCH
DRAWING RAVEN529 DATED 06/06/02
G.R. CLARK PLAT DATED 02/25/50 (PLAT BOOK 1, PAGE 119)
SCOTT STEWART PLAT DATED 05/16/95 (DEED BOOK 234, PAGE 108)

LEGEND
These standard symbols may be found in the drawing.
Temporary Easement
Permanent Easement
x Point
○ Iron Pipe (Found)
● Iron Pin/Rebar (Found)
◆ Stone (Found)
● Mine Bolt (Found)
• Boring
● 5/8" Capped Iron Rebar (Set)
● 1/2" Capped Iron Rebar (Found)
□ 5/8" Iron Rebar (Set)
N/F New or Formerly

ACREAGE DISTRIBUTION TABLE	MARTIN	BARNHART	TOTAL
MARTIN TRACT TAKE NOT IN R/W	0.025 AC		
MARTIN TRACT TAKE IN R/W	0.018 AC		
TOTAL TAKE FROM MARTIN TRACT	0.044 AC		0.044 AC
BARNHART TRACT TAKE		0.017 AC	
TOTAL TAKE FROM BARNHART TRACT		0.017 AC	0.017 AC
TOTAL TAKE FROM BOTH TRACTS			0.061 AC

REV.	DATE	COMMENT
0	08/03/06	ISSUE
1	12/29/06	FINAL PLAT

Nelson B. Douglass [illegible] OH; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 126
Parkersburg, WV 26102-0126
1-304-428-5715 1-304-465-4258 Fax wda1@charter.net

UNION DISTRICT
RAVEN ROCK
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 4, PARCEL 9
TAX MAP 5, PARCEL 81

BOUNDARY SURVEY OF:
PLEASANT RIDGE BOOSTER STATION SITE
JAVA RUN

PROJECT NO. 2005-0108

Date: 08/06/2005 Revised: 12/29/06 SHEET 1 OF 1

PROPERTY DESCRIPTION
FOR
PLEASANT RIDGE BOOSTER STATION SITE (MARTIN TRACT)

SITUATE IN AND BEING A PART OF UNION DISTRICT, PLEASANTS COUNTY, WEST VIRGINIA, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE NETTIE BARNHART 2.93 ACRE TRACT, DEED BOOK 258, PAGE 308, AND THE PAUL MARTIN 1.5 ACRE TRACT, DEED BOOK 156, PAGE 524, WHERE THE SOUTHEAST CORNER OF THE RAVEN ROCK UNITED METHODIST CHURCH TRACT BEARS N 32° *12' 06" W 51.24 FEET;*

THENCE N 36° 25' 49" E 36.93 FEET TO A POINT IN THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2, PASSING A 5/8" CAPPED IRON REBAR (SET) AT 19.08 FEET;

THENCE S 20° 06' 55" E 7.50 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 34° 42' 46" E 15.09 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 47° 08' 54" E 19.92 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 52° 31' 37" E 9.67 FEET WITH THE CENTERLINE OF PLEASANTS COUNTY ROUTE #2/2 TO A POINT;

THENCE S 36° 25' 49" W 45.08 FEET LEAVING THE ROAD TO A 5/8" CAPPED IRON REBAR (SET) IN THE COMMON LINE BETWEEN THE MARTIN TRACT AND THE BARNHART TRACT, PASSING A 5/8" CAPPED IRON REBAR (SET) AT 15.00 FEET;

THENCE N 32° 12' 06" W 53.69 FEET WITH THE COMMON LINE BETWEEN THE MARTIN TRACT AND THE BARNHART TRACT TO THE PLACE OF BEGINNING.

CONTAINING 0.044 ACRES, INCLUDING 0.018 ACRES IN THE PLEASANTS COUNTY ROUTE #2/2 RIGHT OF WAY, AND BEING A PART OF THAT SAME TRACT OR PARCEL OF LAND CONVEYED TO PAUL MARTIN IN DEED BOOK 156, PAGE 524.

SUBJECT TO ALL LEGAL HIGHWAYS, RIGHTS OF WAYS, AND RESTRICTIONS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY NELSON B. DOUGLASS P.S. 1241 AND WAS MADE IN ACCORDANCE WITH AN ACTUAL FIELD SURVEY DATED DECEMBER 29, 2006 AS SHOWN ON THE PLAT ATTACHED HERETO AND MADE A PART THEREOF.

BEARINGS SHOWN ARE TO AN ASSUMED MERIDIAN AND USED TO DENOTE ANGLES ONLY.

NELSON B. DOUGLASS,
Registered Surveyor No. 1241 WV

WATERMAN DOUGLASS & ASSOCIATES P.L.L.C.
P.O. BOX 126
533 ROSEMAR ROAD
PARKERSBURG, WV 26102-0126
1-304-428-5715 TEL
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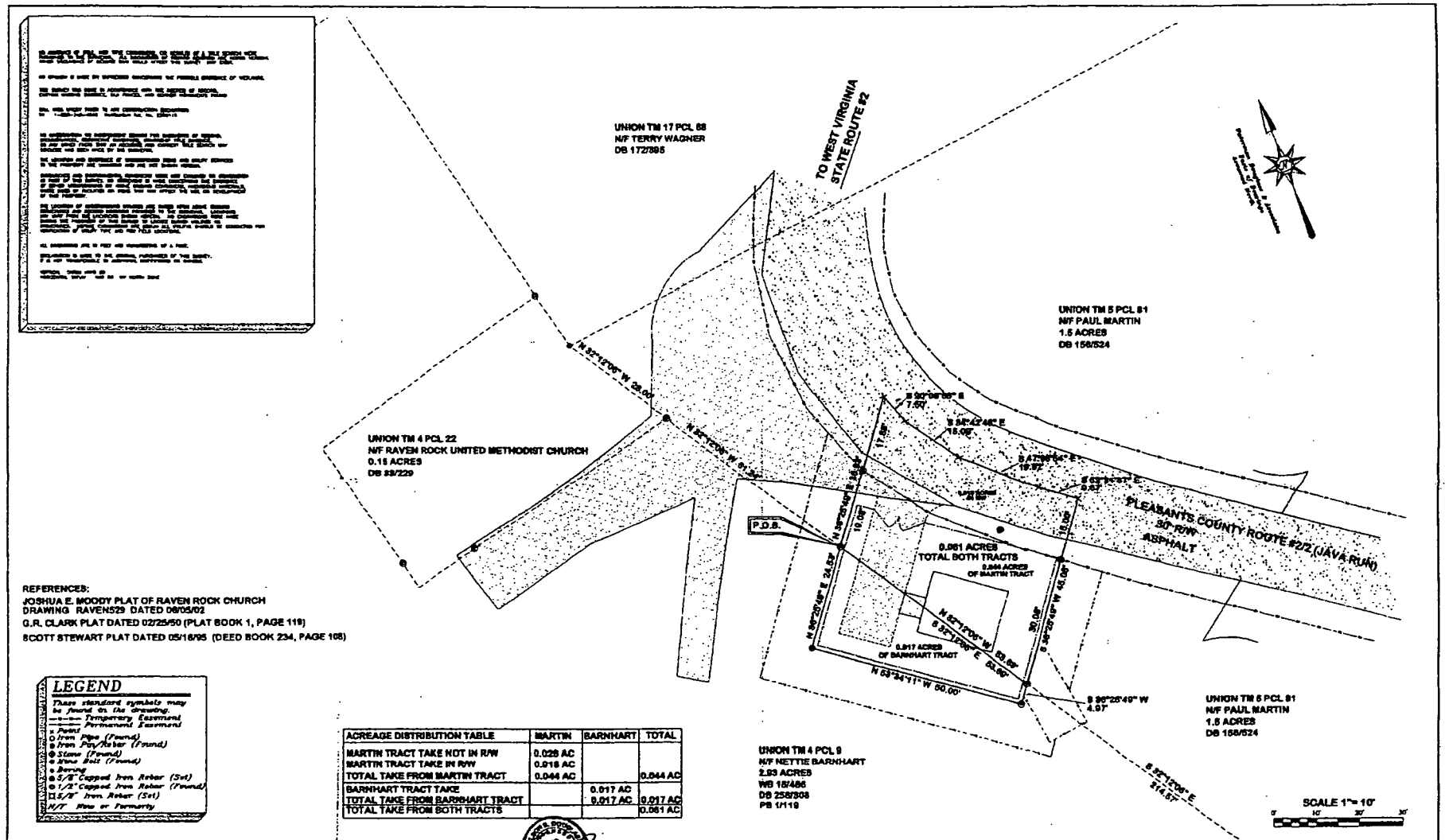

REFERENCES:
JOSHUA E. MOODY PLAT OF RAVEN ROCK CHURCH
DRAWING RAVEN529 DATED 08/05/02
G.R. CLARK PLAT DATED 02/25/50 (PLAT BOOK 1, PAGE 119)
SCOTT STEWART PLAT DATED 05/16/95 (DEED BOOK 234, PAGE 108)

LEGEND

These standard symbols may be found on the drawing.

- Temporary Easement
- Permanent Easement
- Point
- Iron Pipe (Found)
- Iron Pin/Rebar (Found)
- Stone (Found)
- Stone Bolt (Found)
- Boring
- 5/8" Capped Iron Rebar (Set)
- 1/2" capped Iron Rebar (Found)
- 5/8" Iron Rebar (Set)
- N/F Now or Formerly

ACREAGE DISTRIBUTION TABLE	MARTIN	BARNHART	TOTAL
MARTIN TRACT TAKE NOT IN R/W	0.028 AC		
MARTIN TRACT TAKE IN R/W	0.016 AC		
TOTAL TAKE FROM MARTIN TRACT	0.044 AC		0.044 AC
BARNHART TRACT TAKE		0.017 AC	
TOTAL TAKE FROM BARNHART TRACT		0.017 AC	0.017 AC
TOTAL TAKE FROM BOTH TRACTS			0.061 AC

REV.	DATE	COMMENT
0	08/03/05	ISSUE
1	12/29/06	FINAL PLAT

Nelson B. Douglass, Jr. 37-8[illegible] OH; P.S. #1241 WV
WATERMAN-DOUGLASS AND ASSOCIATES P.L.L.C.
Engineers and Surveyors
533 Rosemar Road - P. O. Box 126
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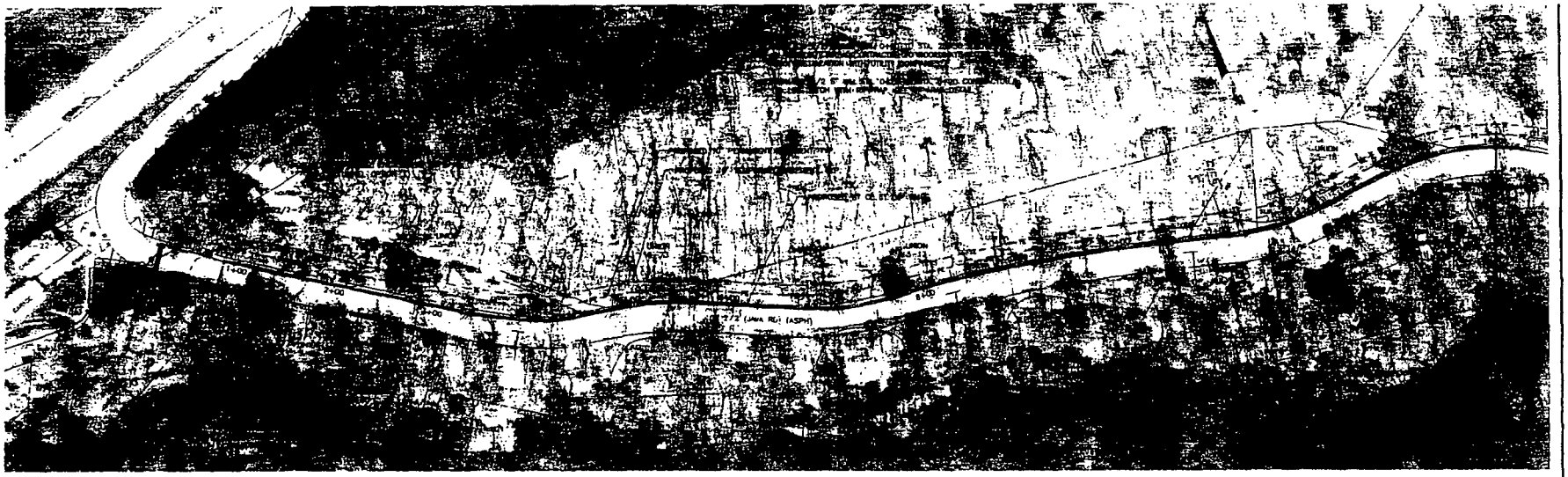
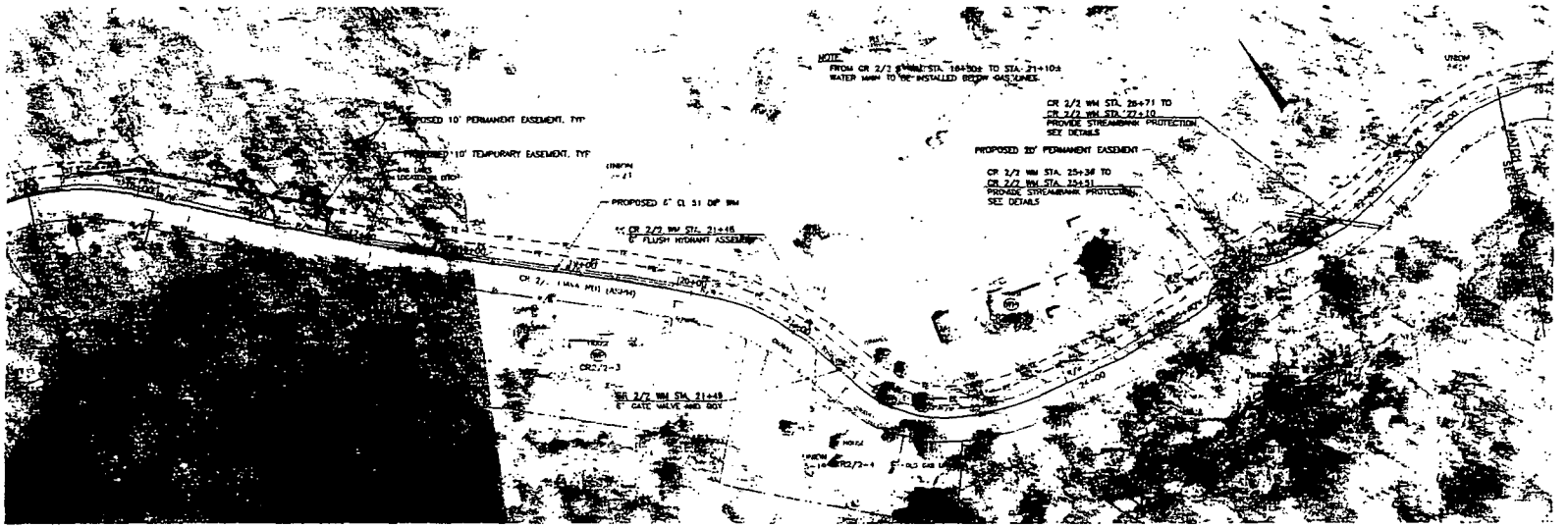
UNION DISTRICT
RAVEN ROCK
PLEASANTS COUNTY, WEST VIRGINIA
TAX MAP 4, PARCEL 9
TAX MAP 5, PARCEL 81

BOUNDARY SURVEY OF:
PLEASANT RIDGE BOOSTER STATION SITE
JAVA RUN

PROJECT NO. 2006-0109

Date: 08/06/2005 Revised: 12/29/06 SHEET 1 OF 1





NO.	REVISION	DATE	BY	CHK.

Burgess & Niple, Inc. Parkersburg, WV

BURGESS & NIPLE

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
WATER SYSTEM IMPROVEMENTS
PLEASANTS RIDGE SERVICE AREA
CONTRACT 05-1

JOB NO.	34717
DESIGNED BY:	TLL
DRAWN BY:	DRB
CHECKED BY:	AJS
APPROVED BY:	AJS
DATE:	Dec 2008

CR 2/2 WM STA. -0+10 TO STA. 28+50

SCALE: 1"=50'

SHEET NO. 8 OF 33

PLOTTED: 12/11/2008 2:16:08 PM

P:\PR34717\cadd\Contract 04-1\cr2-2.dwg 8/21/2008 12:59:23 PM Dys, David

Description of Water Line to be owned by Pleasants County Development Authority

1. **Line SR 2 S** - Proposed 8" Ductile Iron Pipe (DIP) and 8" Dimension Ratio (DR) 18 Polyvinyl Chloride (PVC) water mains along WV State Route (SR) 2 beginning at the existing end of the City of St. Mary's water system (*Near the St. Mary's Golf Course*) and being the same point shown on Contract 05-1, Sheet 4, referenced as Sta. 0+00; extending for a distance of 8,625 feet; and ending at the proposed Pleasants Ridge Booster Station shown on Contract 05-1, Sheet 6, referenced as Sta. 86+25.

2. **Line 1** - Proposed 6" DR 18 PVC water main beginning at a road intersection with SR 2 and being the same point shown on Contract 05-1, Sheet 6, referenced as Sta. 0+00; extending for a distance of 972 feet; and ending near Union 4-16 parcel shown on Contract 05-1, Sheet 7, referenced as Sta. 9+72.

3. **Line 1A** - Proposed 6" DR 18 PVC water main beginning near and existing driveway intersection with SR 2 and being the same point shown on Contract 05-1, Sheet 6, referenced as Sta. 0+00; extending for a distance of 667 feet; and ending on Union 4-17 parcel shown on Contract 05-1, Sheet 6, referenced as Sta. 6+67.

4. **Line CR 2/2** - Proposed 6" DIP, 6" DR 14 PVC, and 6" DR 18 PVC water mains along Java Road County Route (CR) 2/2 beginning at the proposed Pleasants Ridge Booster Station shown on Contract 05-1, Sheet 8, referenced as Sta. -0+10; extending for a distance of 7,864 feet; and ending at the intersection of Java Road CR 2/2, Mt. Carmel Ridge Road CR 26, and Pleasant Ridge Road CR 26 shown on Contract 05-1, Sheet 10, referenced as Sta. 78+64.

5. **Line CR 26** - Proposed 6" DR 18 PVC water mains along Pleasants Ridge Road CR 26 beginning at the intersection of Java Road CR 2/2, Mt. Carmel Ridge Road CR 26, and Pleasant Ridge Road CR 26 (*End of Line CR 2/2*) shown on Contract 05-1, Sheet 10, referenced as Sta. 0+00; extending for a distance of 20,212 feet; and ending at the intersection of Pleasant Ridge Road CR 26 & Mt. Arvilla Road CR 7 shown on Contract 05-1, Sheet 18, referenced as Sta. 202+12.

6. **Line CR 26 S** - Proposed 6" DR 18 PVC water mains along Mount Carmel Ridge Road CR 26 beginning at the intersection of Java Road CR 2/2, Mt. Carmel Ridge Road CR 26, and Pleasant Ridge Road CR 26 (*End of Line CR 2/2*) shown on Contract 05-1, Sheet 10, referenced as Sta. 0+00; extending for a distance of 4,410 feet; and ending near Union 10-8.1 parcel on Mt. Carmel Ridge Road CR 26 shown on Contract 05-1, Sheet 10B, referenced as Sta. 44+10.

7. **Line 2** - Proposed 6" DR 18 PVC & 6" DIP water mains that begins near Union 5-47.1 parcel along Pleasants Ridge Road CR 26 (*Intersects with Line CR 26 at Sta. 41+48*) shown on Contract 05-1, Sheet 12, referenced as Sta. 0+00; extending for a distance of 4,259 feet; and ending on Union 5-6 parcel along SR2 shown on Contract 05-1, Sheet 24, referenced as Sta. 42+59.

8. **Line 3** – Proposed 6" DR 18 PVC water main that begins near Union 6-26.1 parcel along Pleasants Ridge Road CR 26 (*Intersects with Line CR 26 at Sta. 157+43*) shown on Contract 05-1, Sheet 16, referenced as Sta. 0+00; extending for a distance of 357 feet; and ending at the proposed Pleasants Ridge Storage Tank shown on Contract 05-1 Sheet 16, referenced as Sta. 3+57.

9. **Line CR 26 N** - Proposed 6" DR 18 PVC water mains along Pleasants Ridge Road CR 26 beginning at the intersection of Arvillia Road CR 7 and Pleasant Ridge Road CR 26 (*End of Line CR 26*) shown on Contract 05-1, Sheet 18, referenced as Sta. 0+00; and extending for a distance of 11,153 feet; ending on Union 3-16.2 parcel along Pleasant Ridge Road CR 26 shown on Contract 05-1, Sheet 22, referenced as Sta. 111+53.

10. **Line SR 2 N** – Proposed 6" DIP water main along SR 2 beginning on Union 5-6 parcel (*End of Line 2*) shown on Contract 05-1, Sheet 24, referenced as Sta. 0+00; extending for a distance of 972 feet; and ending on Union 1-1 parcel along SR 2 shown on Contract 05-1, Sheet 26, referenced as Sta. 45+75.

11. **Line CR 26/1** – Proposed 6" DR 18 PVC water main along Fish Pot Road CR 26/1 beginning at the intersection Middle Island Run CR 3/13 and Fish Pot Road CR 26/1 (*Connection with an existing water main in the City of St. Mary's system along Middle Island Run CR 3/13*) shown on Contract 05-1 Sheet 27, referenced as Sta. 0+00; and ending at the property line (*Location of property line has been approximated from Pleasants County Tax Map Union 13)* between Union 13-17.1 parcel and Union 13-18 parcel shown on Contract 05-1 Sheet 27, referenced as Sta. 6+56. (*Line CR 26/1 has a total length of 11,222 LF, of which the PCDA will own 656 LF. The Remaining line will be owned by the Pleasants County Public Service District.)*

12. Line Add Alternate No.1 – Proposed 6" DR 18 PVC water main along Walnut Hill Road CR 26/2, Wolf Run Road CR 26/4 and Carl Felter Road CR 26/7 beginning at the intersection of Mt. Carmel Ridge Road CR 26 and Walnut Hill Road CR 26/2 (Intersects with Line CR 26 at Sta. 28+91) shown on Contract 05-1, Sheet 33, referenced as Sta. -0+17; extending for a distance of 4,400 feet +/- on Walnut Hill Road CR 26/2, then extending for a distance of 1,550 feet +/- on Wolf Run Road CR 26/4, then extending for a distance of 2,343 feet +/- on Carl Felter Road CR 26/7, and ending near Union 10-45.1 parcel along Carl Felter Road CR 26/7 shown on Contract 05-1, Sheet 36, referenced as Sta. 82+76.

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

District	Map	Parcel	Last Name	First Name	Spouse	Deed Book	Page	Width Perm	Width Cst	Recording
Union	9	29	Trustees, Grace Episcopal Church			228	660	20	30	279/243
Union	9	27.4	Stanley	Robert A.		245	653	10	30	272/060
Union	9	32.1	West Virginia Farm Management Commission			225	112	up to 20	up to 30	279/253
Union	9	32	West Virginia Department of Military Affairs & Public Safety			247	202	20	30	279/249
Union	4	1.1	Wilson	John F.	Linda K.	152	368	10	20	272/204
Union	4	1.3	Steele	Michael L.	Susan A.	210	10	10	20	272/156
Union	4	1	Steele	Antionette Amanda		260	191	10	20	272/146
Union	4	1.4	Steele, Jr.	Earnest		258	390,392 & 394	10	20	272/154
Union	4	2	Estate of Margaret Ellen Cochrane, deceased			WB22	74	10	20	271/435
Union	4	2	I 77 Associates, L.L.C.			247	574	10	20	271/533
Union	4	3.1	Lowther	Nicole M.		269	420	10	20	273/603
Union	4	3	I 77 Associates, L.L.C.			247	574	up to 20	up to 30	271/529
Union	4	3	Estate of Margaret Ellen Cochrane, deceased			WB22	74	up to 20	up to 30	271/438
Union	4	3.2	Estate of Margaret Ellen Cochrane, deceased			159	463	10	20	271/526
Union	4	6	Estate of Margaret Ellen Cochrane, deceased			110	107	10	20	271/462
Union	4	3.3	Estate of Margaret Ellen Cochrane, deceased			157	117	10	20	271/432
Union	4	9.1	Barnhart	Dennis James		234	105	20	30	271/491

BOOK 142 PAGE 559

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	4	9	Barnhart	Dennis James		258	308	20	30	271/493
Union	4	3.4	Bland	Samson D.		248	11	20	30	274/367
Union	4	3.4	Ploth	Nancy R. Bland		248	11	20	30	279/55
Union	4	12	Glover, Jr.	Forrest Ray	Tina M.	254	604	10	20'	279/175
Union	4	13	Glover, Jr.	Forrest Ray	Tina M.	254	604	10	20	279/175
Union	4	17	Keller	Clarence	Johnna	252	221	10	20	272/062
Union	5	81	Martin	Paul E.	Nancy J.	156	524	10	20	276/628
Union	5	13	I 77 Associates, L.L.C.			247	574	10	20	271/523
Union	5	13	Estate of Margaret Ellen Cochrane, deceased			WB22	74	10	20	271/429
Union	5	16	I 77 Associates, L.L.C.			247	574	10	20	271/520
Union	5	16	Estate of Margaret Ellen Cochrane, deceased			WB22	74	10	20	271/426
Union	5	18	Price	C. E.		87	475	10	20	279/175
Union	5	21	Bennett	Alden J.				up to 20	up to 30	279/175
Union	5	21	Parks	Nellie				up to 20	up to 30	279/175
Union	5	21	Bailey	Agnes				up to 20	up to 30	279/175
Union	5	21	Bennett	Larry L.				up to 20	up to 30	279/175
Union	5	21	Robertson	Audria Mae				up to 20	up to 30	279/175
Union	5	21	Wright	Jennifer Lynn				up to 20	up to 30	279/175
Union	5	21	Robertson	Sherry J.				up to 20	up to 30	279/175

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	21	Robertson	Grady G.				up to 20	up to 30	279/175
Union	5	21	Park	Max T.				up to 20	up to 30	279/175
Union	5	21	Park, Trustee	Max J.				up to 20	up to 30	279/175
Union	5	21	Allen	Mary J.				up to 20	up to 30	279/175
Union	5	21	Bennett	Earl L.				up to 20	up to 30	279/175
Union	5	21	Jones	Elizabeth				up to 20	up to 30	279/175
Union	5	21	Bennett	Earl Leslie (L/E)		253	455	up to 20	up to 30	279/175
Union	5	21	Bennett	Roy Lee (L/E)		253	455	up to 20	up to 30	279/175
Union	5	21	Bennett	Webster Ray (L/E)		253	455	up to 20	up to 30	279/175
Union	5	22	Parsons, Sr.	Michael D.	Belva Jean	263	504	10	20	271/369
Union	5	22.1	Cunningham	Harvey		218	588	10	20	271/676
Union	5	42	Barkwill	John Franklin		WB15	606	10	20	271/335
Union	5	42	Howard	Carol Green Barkwill		WB15	606	10	20	271/335
Union	5	42	Webb	Michael H.		WB15	606	10	20	271/335
Union	5	42	Webb III	Deleno H.		WB15	606	10	20	271/335
Union	5	42	Culp	Anna W.		WB15	606	10	20	271/335
Union	5	42	Webb	James E.		WB15	606	10	20	271/335
Union	5	42	Johnson	Alice K.		WB15	606	10	20	271/335
Union	5	42	Webb	William E.		WB15	606	10	20	271/335

BOOK 142 PAGE 561

PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
CONTRACT 05-01

Union	5	42	Webb	Virginia Louise		WB15	606	10	20	271/335
Union	5	42.1	Fletcher	Ruth Marie		WB19	431	10	20	271/514
Union	5	68	Fletcher	Ruth Marie		WB19	431	10	20	271/516
Union	5	69	Bennett	Michael L.		258	338	10	20	271/442
Union	5	88	Efaw	John Matthew		246	647	10	20	271/511
Union	5	87	White, Jr.	Don E.	Wilma M.	231	692	10	up to 30	271/484
Union	5	2	Berish	Kevin P.	Jamie J.	253	398	10	20	271/497
Union	10	2.1	McBrayer	Howard J.		268	99	10	20	279/175
Union	10	2.6	Duty	Billy		251	167	10	20	271/503
Union	10	2.7	Duty	Billy		251	167	10	20	271/505
Union	10	2.8	Duty	Billy		251	167	10	20	271/507
Union	10	12	Wherry	S. Eugene		240	226	10	20	272/201
Union	10	13	Strum	Henry		253	611	1	20	279/240
Union	10	11	Mt. Carmel Cemetery			203	616	10	20	279/204
Union	10	10	Knight	Charles Wilbur		139	101	10	20	279/175
Union	10	51	Bailey	Jamie S.		265	304	10	20	271/488
Union	10	51	Bailey	Terry J.		265	304	10	20	271/488
Union	10	39	Wright	Neval Pearl Stewart		241	522	10	20	272/158
Union	5	39	Stewart	Harold L.		241	522	10	20	272/164

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
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Union	5	39	Stewart	Glenn E.		241	522	10	20	272/162
Union	5	39	Stewart	Milo Raymond		241	522	10	20	272/160
Union	5	8	Bleakley	David Boyd		265	489	10	20	272/112
Union	10	8	Bailey-Bleakley	Carolyn F.		265	489	10	20	272/110
Union	10	8.1	McCullough, Jr.	Richard F.		253	482	10	20	271/687
Union	10	77	New Bethel Cemetery			11	379	10	20	273/481
Union	5	3	White, Jr.	Don E.	Wilma M.	237	131	up to 15	up to 25	272/211
Union	10	4	Efaw	John Earl	Janet Sue	211	35	10	20	272/215
Union	10	83	Miller	Richard A.	Michelle L.	245	125	10	up to 30	271/689
Union	5	46	Dawson	Matthew Alan		267	462	10	20	272/066
Union	5	46	Dawson	Douglas A.		267	462	10	20	271/680
Union	5	47	Kimball	Stanley G.	Mary L.	205	69	10	20	278/645
Union	5	47.2	Kimball	Stanley G.	Mary L.	215	665	10	20	279/133
Union	5	47.3	Barnhart	Brian E.		248	109	10	20	271/664
Union	5	47.3	Hunter	Carol Sue		248	109	10	20	271/662
Union	5	47.3	Barnhart	Charles E.		248	109	10	20	271/660
Union	5	47.1	Ohio Power Company			264	60	10	20	273/505
Union	5	48.3	Stewart	Vernon	Charlotte	118	139	10	20	272/170
Union	5	48.1	Stewart	Vernon E.	Charlotte A.	183	215	10	20	272/168

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PLEASANTS COUNTY PUBLIC SERVICE DISTRICT
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Union	5	48	Stewart	Vernon	Charlotte	118	139	up to 20	up to 30	272/166
Union	5	52	Stewart	Vernon E.		249	365	10	20	272/172
Union	5	67	Barnhart	Henry Reuben		WB5	436	10	20'	279/104
Union	5	67	Harbert	Phyllis Marie		WB5	436	10	20'	279/107
Union	5	67	Barnhart	Harold Eugene		WB5	436	10	20'	279/110
Union	5	67	Miller	Richard		WB5	436	10	20'	279/113
Union	5	67	Miller	Paul Dean		WB5	436	10	20'	279/116
Union	5	67	Barkes	Sybil		WB5	436	10	20'	279/119
Union	5	67	Hartman	Ada		WB5	436	10	20'	279/121
Union	5	67	Barnhart	Ernest D.		WB5	436	10	20'	279/123
Union	5	67	Stamm	Rhonda		WB5	436	10	20'	279/126
Union	5	65	Barnhart	Henry Reuben		WB5	436	10	20'	279/82
Union	5	65	Harbert	Phyllis Marie		WB5	436	10	20'	279/84
Union	5	65	Barnhart	Harold Eugene		WB5	436	10	20'	279/86
Union	5	65	Miller	Richard		WB5	436	10	20'	279/88
Union	5	65	Miller	Paul Dean		WB5	436	10	20'	279/90
Union	5	65	Barkes	Sybil		WB5	436	10	20'	279/92
Union	5	65	Hartman	Ada		WB5	436	10	20'	279/94
Union	5	65	Barnhart	Ernest D.		WB5	436	10	20'	279/96

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Union	5	65	Stamm	Rhonda		WB5	436	10	20'	279/100
Union	5	65.1	Adams	Mark A.	Rebecca J.	206	660	10	20	271/486
Union	5	56	Weaver Construction, Inc.			256	475	10	20	272/058
Union	5	34	Barnhart	Harold E.		237	20	10	20'	279/228
Union	5	34.1	Dalrymple	Dana Glen	Sharon Monica	145	322	10	up to 30	271/344
Union	5	3	Bens Run Land Company Limited Partnership			226	154	10	20	279/175
Union	5	36	Ash	Carroll L.		264	89	10	20	271/333
Union	5	37	Gamble	Timothea		254	272	10	20	279/175
Union	5	37	Swatman	Jamie S.		254	272	10	20	279/175
Union	5	37	Pfalzgraf	Pamela		270	397	10	20	279/59
Union	5	37	Metz	Michael		270	397	10	20	279/57
Union	5	109	West	Allen		258	321	10	20	274/391
Union	6	109	Smith	Angela Dawn		258 274	321 536	10	20	276/673
Union	6	100	Heartwood Forestland Fund IV Limited Partnership			254	322 & 355	10	20'	279/175
Union	6	30	Mankins	Charles R.	Beth Ann	241	410	10	20	271/643
Union	6	32	Lewis, Jr.	Richard L.	Berylann	142	558	10	20	271/697
Union	6	26	Dalrymple	Benny Edward	Nancy Jane	219	20	10	20'	271/678
Union	6	14	Pethtel	Rodney A.	Trudy L.	242	467			276/633
Union	6	3.1	Vannoy	Kristina D. Elder		250	428			276/639

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Union	6	3.1	Vannoy	Kristina D. Elder		250	428			276/639
Union	6	3	Renner	James A.	Lenora E.	205	144			279/74
Union	6	27	Cecil, Jr.	Kevin L.		273	133	10	20	279/175
Union	6	15	Dalrymple	Dana G.		WB22	1	10	20	271/352
Union	6	15	Dalrymple	Richard D.		WB22	1	10	20	271/350
Union	6	15	Dalrymple	Jimmy L.		WB22	1	10	20	271/348
Union	6	15	Dalrymple	Benny E.		WB22	1	10	20	271/354
Union	6	16	Urban	Thomas E.		214	72	10	20	272/126
Union	6	17.1	Urban	Thomas E.		233	578	10	20	272/128
Union	6	17	Green	William E.		252	533	10	20	272/217
Union	6	28	Payne	William D.		233	140	20	30	273/475
Union	6	28	Green	Jodi L.		252	535	20	30	273/477
Union	6	5.1	Mayne	Mark S.	Donna	261	184	10	20	274/393
Union	6	5.1	Citizens Telecommunications Company of West Virginia, dba Frontier Communications of West Virginia					10	20	274/407
Union	6	5.13	Campbell	Rodney W.		238	246	10	20	271/672
Union	6	5.11	Campbell	Rodney W.		235	23	10	20	271/674
Union	6	5.14	Stewart, Jr.	Ronald M.	Julie E.	257	303	up to 20	up to 30	273/479
Union	6	5.6	Dalrymple	Early D.	Debra E.	235	284	10	20	271/465
Union	6	5.2	Bills	Stacy L.		245	555	10	20	271/444

Union	6	5.2	Morgan	Ronald A.		245	555	10	20	271/446
Union	6	5.7	Dalrymple	Early D.	Debra E.	235	284	10	20	271/460
Union	6	21	Northcraft	Ralph		WB20	225	20	30	272/005
Union	6	21	Northcraft	Chad		WB20	225	20	30	272/003
Union	6	21	Northcraft	Brian		WB20	225	20	30	272/001
Union	6	22	Northcraft	Ralph		WB20	225	up to 20	up to 30	272/011
Union	6	22	Northcraft	Chad		WB20	225	up to 20	up to 30	272/009
Union	6	22	Northcraft	Brian		WB20	225	up to 20	up to 30	272/007
Union	6	7	Parsons	Matthew Scott		254	699	10	20	273/592
Union	6	7.1	Rittenhouse	Daniel		247	132	10	20	279/175
Union	6	8	Wiblin	Howard		246	90	10	20	271/695
Union	6	28.2	Likens	Thomas R.		263	276	10	20	271/365
Union	2	28.3	Heflin	Zachary J.	Amber M.	263	101	10	20	271/683
Union	2	28.4	Likens	Thomas R.		263	276	10	20	271/367
Union	2	27	Benefiel	Jane		WB23	423	10	20	273/485
Union	2	26.1	Boley	Carl Everett		233	396	10	20	271/668
Union	2	26.1	Kelly	Christine J.		233	396	10	20	271/670
Union	2	26	Dawson	Jim		240	590	10	20	272/64
Union	2	2	Northcraft	Irvin		239	144	10	20	279/175

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Union	2	2	Frakes	Pauline		239	144	10	20	279/175
Union	2	2	Ferry	Isabelle		239	144	10	20	279/175
Union	2	2	Coblentz	Roy E.		254	464	10	20	279/53
Union	2	14	Bullman	Amber D. Walker		268	237	up to 20	up to 30	272/369
Union	2	14.1	Frum	Paul		115	363	up to 20	up to 30	273/580
Union	2	14.3	Frum	Paul		142	339	10	20	273/582
Union	2	18	Smith	Mackenzie Nash		232	452	10	20	279/175
Union	2	18	Powers	Marsha Kay Smith		232	452	10	20	279/51
Union	2	17	Adams Cemetery					10	20	273/590
Union	2	18.2	Smith	Mackenzie Nash		232	452	10	20	279/175
Union	2	18.2	Powers	Marsha Kay Smith		232	452	10	20	279/47
Union	2	18.1	Smith	Mackenzie Nash		232	452	10	20	279/175
Union	2	18.1	Powers	Marsha Kay Smith		232	452	10	20	279/49
Union	2	30	Bailey	Gerald William		196	554	10	20	271/666
Union	2	22	Bilderback	Edward Eugene		WB18 WB20	46 60	**up to 15**	**up to 25**	272/107
Union	2	22	Bilderback	James Bruce		WB18 WB20	46 60	**up to 15**	**up to 25**	272/104
Union	2	22	Bilderback	Edward E.	Patricia A.	254	2	**up to 15**	**up to 25**	272/069
Union	2	23.3	Bennett	Timothy L.	Chris M.	198	671	**up to 20**	**up to 30**	271/495
Union	2	6	Bell	Lyle Gene	Mary	222	402	10	20	272/209

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Union	2	9.2	Taylor	Gary W.	Kezia M.	223	169	10	20	272/174
Union	2	9	Dearth	Lyle C.		133	641	10	20	273/473
Union	2	9.3	Taylor	Gary W.	Kezia M.	145	668	10	20	272/177
Union	2	11	Taylor	Gary W.	Kezia M.	145	668	10	20	272/179
Union	2	9.4	Dearth	Lyle C.	Esther M.	239	369	10	20	273/469
Union	2	16.3	Dearth, Jr.	Lyle C.		232	219			279/45
Union	3	16.1	Dearth	Lyle C.	Esther M.	212	427	10	20	273/471
Union	3	79	Cecil	Kevin L.	Candy S.	246	627	20	30	274/364
Union	5	79	Parks	Patricia Ann		WB21	647	20	30	274/363
Union	5	79	Parks	Richard G.		WB21	647	20	30	274/386
Union	5	79	Parks	Sam		WB21	647	20	30	274/365
Union	5	24	Parsons, Sr.	Michael D.	Belva Jean	263	504	20	30	271/371
Union	5	6	Cecil	Kevin L.	Candy S.	246	627	20	30	274/359
Union	5	6	Parks	Patricia Ann		WB21	647	20	30	274/361
Union	5	6	Parks	Richard G.		WB21	647	20	30	274/388
Union	5	6	Parks	Sam		WB21	647	20	30	274/360
Union	5	6.2	Riggs	John P.	Brenda J.	265	570	up to 20	up to 30	273/601
Union	5	8	Stewart	Gerald L.		242	113	up to 20	up to 30	273/497
Union	5	8.1	Barnhart	Nellie P.		94	201	10	20	279/175

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Union	5	8.1	Barnhart	Lewis W.		94	201	10	20	279/175
Union	5	8.1	Barnhart	James W		94	201	10	20	279/175
Union	5	8.1	Barnhart	Annie V.		94	201	10	20	279/175
Union	5	8.1	Barnhart	Wiley C.		94	201	10	20	279/175
Union	5	11	Efaw	John F.	Mildred	115	19	up to 20	up to 30	271/509
Union	5	10	Snodgrass	Matthew G.	Laura L.	233	593	up to 20	up to 30	271/653
Union	5	12	Kelley	Claude G.	Carolyn S.	148	364	10	20	273/584
Union	5	1	Light	James Cleveland	Eve Wamsley	222	51	10	20	279/72
Union	5	1.1	Atlas Towing Company			157	71	10	20	274/372
Union	5	2	2003 Guy W. Shingleton, Sr. Trust dated January 8, 2003			256	189	10	20	279/78
Union	5	31	Barkes	Sybil Barnhart		128	322, 331 350	10	20	279/102
Union	5	86	Meeks	Edwin A.	Tracy L.	261	513	10	20	271/651
Union	5	1	Henline	David L.	Jean Ann	215	392	10	20	271/635
Union	1	31.1	Lawhon	Charles M.	Melissa L.	254	106		10	272/360
Union	13	17.1	Nichols	Jeffrey W.		239	267	up to 20	up to 30	271/480
Union	13	18	Lamp	Ruth B.		227	606	10	20	271/478
Union	13	18	Nichols	Janet B.		227	606	10	20	271/476
Union	13	19.7	Bailey	Mark D.		235	650	10	20	271/518
Union	13	19.5	Lamp, Jr.	Phil M.		257	306	10	20	279/175

Union	13	19.11	Young	John P.	Rebecca	264	119	10	20	279/216
Union	13	19.6	Sparks	William Harold	Rosemary B.	175	441	up to 20	up to 30	272/144
Union	13	19.3	Taylor	Greg L.		158	277	10	20	272/181
Union	13	19.1	Campbell	Richard C.	Kathryn R.	183	40	10	20	271/401
Union	13	27	Campbell	Richard C.	Kathryn R.	208	599	10	20	271/499
Union	13	27.4	McBrayer	Randall J.		264	131	10	20	271/645
Union	13	27.1	McBrayer	Randall J.		264	131	10	20	271/647
Union	13	27.2	McBrayer	Randall J.		264	131	10	20	271/649
Union	13	27.3	Sloan, Jr.	Frank	Flora M.	236	34	up to 20	up to 30	271/482
Union	13	28	Shaffer	Rosco		228	298	10	20	272/142
Union	13	1	Wherry	Hazel Louise		WB13	364	10	20	272/199
Union	14	33	Kiser	Bobby	Joyce	228	524	10	20	271/639
Union	13	34	Kiser	Bobby	Joyce	250	70	10	20	271/641
Union	13	35	Griffin	Clayton W.	Almedia Kay	151	113	10	20	271/633
Union	13	36	Griffin	Clayton W.	Almedia Kay	151	113	10	20	271/627
Union	13	1.3	Riffle	Junior A.	Dorothy J.	111	391	10	20	271/692
Union	14	1.4	Masters	Harold E.		115	131	10	20	279/35
Union	14	1.4	Klaphake	W. F.		115	131	10	20	279/37
Union	14	1.4	Masters	Danial M.		115	131	10	20	279/175

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Union	14	1.4	Masters	George E.		115	131	10	20	279/175
Union	14	1.5	Flowers	Dallas E.	Beulah V.	224	128	10	20	279/41
Union	14	1.6	Parsons, Jr.	Michael Dale		264	182	10	20	279/33
Union	14	1.8	Naylor Steele	Charlotte Faye		224	62	10	20	272/148
Union	14	1.8	Steele	John Eugene		224	62	10	20	272/150
Union	14	1.8	Steele	Richard Landon		224	62	10	20	272/152
Union	14	1.14	Bradford II	Clyde K.		255	421	10	20	272/213
Union	14	1.13	Horner	Robert Stephen		WB22	434	10	20	271/470
Union	14	1.13	Horner	William Douglas		WB22	434	10	20	271/467
Union	14	1.13	Horner	Kathy Yvonne		WB22	434	10	20	271/473
Union	14	1.11	Huether	Fritz		235	642	10	20	271/637
Union	14	1.1	Flowers	Dallas E.		187	283	10	20	271/359
Union	14	9	Flowers	Dallas E.		222	388	10	20	271/625

LAST PAGE

THE COUNTY COMMISSION OF PLEASANTS COUNTY

AN ORDER AUTHORIZING AGREEMENT AND LEASES WITH THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY; AUTHORIZING THE EXECUTION AND DELIVERY OF THE AGREEMENT AND LEASES; AUTHORIZING THE OPERATION AND MAINTENANCE AGREEMENT TO BE ENTERED INTO AMONG THE COUNTY COMMISSION, THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND PLEASANTS COUNTY PUBLIC SERVICE DISTRICT; AUTHORIZING THE OPERATION AND MAINTENANCE AGREEMENT TO BE ENTERED INTO AMONG THE COUNTY COMMISSION, THE PLEASANTS COUNTY DEVELOPMENT AUTHORITY AND UNION WILLIAMS PUBLIC SERVICE DISTRICT; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH OPERATION AND MAINTENANCE AGREEMENTS; AND APPROVING OF THE SALE OF CERTAIN WATERWORKS LEASE REVENUE BONDS ISSUED IN CONJUNCTION WITH SUCH LEASES AND OPERATION AND MAINTENANCE AGREEMENTS.

WHEREAS, the capitalized terms used in this order and not otherwise defined shall have the same meaning set forth in the Ordinance of the Pleasants County Development Authority authorizing the Series 2010 Bonds (as hereinafter defined);

WHEREAS, the Pleasants County Development Authority (the "Authority") has, at the request of The County Commission of Pleasants County (the "County Commission") agreed to acquire, construct and equip certain waterworks facilities to be located in Pleasants County (collectively, the "Project" and together with all further additions, improvements and additional facilities of every kind and nature, now or hereafter acquired or constructed, herein called the "Facilities), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Secretary of the Authority. The Authority desires to enter into a Lease and Agreement with the County Commission to lease a portion of the Facilities connecting the Pleasants County Public Service District (the "PCPSD") to the County Commission (the "Phase I Lease Agreement"). The Authority desires to enter into a Lease and Agreement with the County Commission to lease the portion of the Facilities to connect Union Williams Public Service District (the "UWPSD" and together with the PCPSD, the "PSDs") to the County Commission (the "Phase II Lease Agreement" and together with the Phase I Lease Agreement, the "Lease Agreements");

WHEREAS, the Authority and the County Commission have determined that a portion of the Facilities should be operated, maintained, repaired and replaced by PCPSD, pursuant to the terms of an agreement by and among the Authority, the County Commission and the PCPSD (the "Phase I O & M Agreement") (the portion of the Project that will ultimately be operated by PCPSD shall be referred to herein as the "Phase I Project");

WHEREAS, the Authority and the County Commission have determined that a portion of the Facilities should be operated, maintained, repaired and replaced by UWPSD, pursuant to the terms of an agreement by and among the Authority, the County Commission and the UWPSD (the "Phase II O & M Agreement" and collectively with the Phase I O & M Agreement, the "O & M Agreements") (the portion of the Project that will ultimately be operated by UWPSD shall be referred to herein as the "Phase II Project") (the PCPSD and the UWPSD shall be collectively referred to as the "PSDs");

WHEREAS, the County Commission and the PSDs have provided the Authority with plans and specifications for the acquisition, construction and equipping of the Facilities, which plans and specifications have been prepared by the Consulting Engineer. The Authority and the County Commission have agreed to appoint the PSDs as their agents for the purpose of acquisition, construction and equipping of the Project;

WHEREAS, the Authority intends to issue its Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) (the "Series 2010 A Bonds"), in the total aggregate principal amount of not more than $3,500,000, initially to be represented by a single bond and its Waterworks Lease Revenue Bonds, Series 2010 B/C (West Virginia Water Development Authority), in the total aggregate principal amount of not more than $3,500,000, in one or more series (the "Series 2010 B/C Bonds" and together with the Series 2010 A Bonds, the "Series 2010 Bonds"), to permanently finance the costs of acquisition and construction of the Project;

WHEREAS, the period of usefulness of the Facilities after completion of the Project is not less than 40 years;

WHEREAS, the Series 2010 Bonds shall be payable solely from the lease revenues received by the Authority pursuant to the Phase I Lease Agreement and Phase II Lease Agreement; and

WHEREAS, the County Commission has found and determined, and does hereby find and determine, that (i) the leasing of the Facilities from the Authority pursuant to the Lease Agreements; (ii) entering into the Phase I O & M Agreement and the Phase II O & M Agreement; and (iii) all other things contemplated by or contained in the Lease Agreements and the O & M Agreements are for a public purpose of the County

Commission and are necessary, proper and appropriate to accomplish a public purpose and are necessary, appropriate and required for the County Commission.

NOW, THEREFORE, BE IT ORDERED AND ENTERED BY THE COUNTY COMMISSION OF PLEASANTS COUNTY, WEST VIRGINIA AS FOLLOWS:

Section 1. Findings. It is hereby found and determined that (i) the lease of the Facilities by the Authority pursuant to the Lease Agreements; (ii) the entering into the Phase I O & M Agreement and the Phase II O & M Agreement; and (iii) all other things contemplated by or contained in the Lease Agreements and the O & M Agreements are necessary, proper and appropriate to accomplish the public purpose of providing the Facilities as necessary, appropriate and required for Pleasants County.

Section 2. Lease Agreements and O & M Agreements. The County Commission hereby authorizes the President to enter into the Lease Agreements and the O & M Agreements on behalf of the Authority.

Section 3. Rentals. The County Commission hereby authorizes the payment of the rentals required under the Lease Agreements.

Section 4. Incidental Actions. The President, the County Clerk and any other appropriate and duly authorized officer of the County Commission, each is hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates and to take such other action as may be necessary or appropriate in order to effectuate the execution and delivery of the Lease Agreements and the O & M Agreements. The execution, delivery and due performance of documents are hereby in all respects approved, authorized, ratified and confirmed, including all acts heretofore taken in connection with the issuance of the Series 2010 Bonds, the leasing of the Facilities and the operation of the Facilities.

Section 5. Series 2010 Bonds. The County Commission hereby approves the issuance of the Series 2010 Bonds.

Section 6. Effective Date. This Order shall take effect immediately upon enactment.

Ordered and Approved by
The County Commission of Pleasants County
On this the 19th day of May, 2010

Larry Barnhart

Larry Barnhart, President

Jay Powell, Commissioner

Jim Cottrill, Commissioner

[seal]

Sue E. Morgan

Sue E. Morgan, County Clerk

{C1758191.1}

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.1
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

GENERAL CERTIFICATE ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES AND DELIVERY
6. PUBLIC SERVICE COMMISSION ORDER
7. RATES
8. INCUMBENCY AND OFFICIAL NAME
9. LAND AND RIGHTS-OF-WAY
10. MEETINGS
11. INSURANCE
12. LOAN AGREEMENTS
13. SPECIMEN BOND
14. BOND PROCEEDS
15. CONFLICTS OF INTEREST
16. VERIFICATION OF SCHEDULE
17. GRANTS
18. PROCUREMENT OF ENGINEERING SERVICES
19. COUNTERPARTS

On this 11th day of June, 2010, we, the undersigned PRESIDENT and the undersigned SECRETARY of the Board of Pleasants County Development Authority (the "Issuer") and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated the date hereof (the "Series 2010 A Bonds") and Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority) (the "Series 2010 B Bonds" and together with the Series 2010 A Bonds the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning set forth in the Bond Ordinance duly enacted by the Issuer on May 24, 2010, the Supplemental Resolution duly adopted by the Issuer on May 24, 2010 (collectively, the "Ordinance"), and the loan agreement for the Series 2010 A Bonds by and between the Issuer and the

Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated June 11, 2010 (the "Loan Agreement").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the authorization, issuance, sale and delivery of the Bonds, the acquisition and construction of the Project, the operation or lease of the Facilities, the collection or use of the revenues of the leases derived from the Lease Agreements, or the pledge and security of the Net Revenues for the Bonds; nor affecting the validity of the Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the title of the members or officers of the Issuer or the Board thereof to their respective offices; nor questioning any proceedings of the Issuer taken with respect to the authorization, issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation or lease of the Facilities, the collection or use of the revenues of the leases derived from the Lease Agreements, or the pledge and security of the Net Revenues for the Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations, licenses, orders and certificates required by law for the creation and existence of the Issuer, the acquisition and construction of the Project, the operation and lease of the Facilities, the imposition of rates and charges and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited by the Issuer in accordance with Chapter 5, Article 22, Section 1 of the Code of West Virginia, 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery of the Loan Agreements. The Issuer has met all conditions set forth in the Loan Agreements and will provide the financial, institutional, legal and managerial capabilities necessary to complete and operate the Project.

There are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the Leases or assets of the Facilities.

5. SIGNATURES AND DELIVERY: The undersigned President and Secretary are the duly elected or appointed, qualified and acting officers of the Issuer as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Bonds for the Issuer. The seal impressed upon the Bonds and this Certificate is the duly authorized, proper and only seal of the Issuer. On the date hereof, the undersigned President did officially sign all of the Bonds, consisting upon original

issuance of a single Bond, dated the date hereof, by his or her manual signature; the undersigned Secretary did officially cause the seal of the Issuer to be affixed upon the Bonds and to be attested by his or her manual signature; the Registrar did officially authenticate, register and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreements.

6. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Administrative Law Judge entered on September 30, 2009, as made final by the Public Service Commission of West Virginia (the "PSC") on October 20, 2009, in Case No. 09-0781-PWD-W-PC-CN, and a Recommended Decision of the Administrative Law Judge entered on November 13, 2009, as made final by the PSC on December 3, 2009, in Case No. 08-2110-PWD-PC-CN, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project approving the Lease Agreements and approving the O & M Agreements. The time for appeal of the PSC Orders have expired prior to the date hereof without any appeal having been filed. The Orders remain in full force and effect.

The Issuer has duly published the required notice with respect to, among other things, the amount of the Bonds to be issued, the interest rate and terms of the Bonds, the Project to be acquired or constructed, the cost of the Project, the anticipated user rates and charges and the date that a formal application for a certificate of public convenience and necessity is to be filed with the PSC in accordance with Chapter 16, Article 13A, Section 25 of the Code of West Virginia, 1931, as amended.

7. RATES: The rates for the Facilities, as approved by the PSC are currently in effect. The time for appeal for such order has expired prior to the date hereof and such order remains in full force and effect.

8. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Pleasants County Development Authority." The Issuer is a development authority and public agency duly created by the Pleasants County Commission and existing under the laws of, and a political subdivision of, the State of West Virginia in Pleasants County of said State. The Facilities will be located in Pleasants County of said State. The governing body of the Issuer is its Board, consisting of 14 duly appointed, qualified and acting members, whose names and dates of commencement and termination of their current terms are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
Jim Elliott	July 1, 2007	June 30, 2010
Jim Hooper	July 1, 2007	June 30, 2010
Elizabeth McGill-Bleakley	July 1, 2007	June 30, 2010
Clifford Smith	July 1, 2007	June 30, 2010
Jerry Davis	July 1, 2008	June 30, 2011
Paul Ingram	July 1, 2008	June 30, 2011
F. Michael Nelson	July 1, 2008	June 30, 2011
Max Powell	July 1, 2008	June 30, 2011
Bob Doty	July 1, 2009	June 30, 2012
Randa D. Gregg	July 1, 2009	June 30, 2012
Bill Israel	July 1, 2009	June 30, 2012
Ron McFadden	July 1, 2009	June 30, 2012
Art Olds	July 1, 2009	June 30, 2012
John Fitzpatrick	July 1, 2009	June 30, 2011

The duly elected or appointed officers of the Board for 2010 are as follows:

F. Michael Nelson	-	President
Randa D. Gregg	-	Vice President
Ron McFadden	-	Treasurer
James McGoldrick	-	Secretary

The attorney for the Issuer is Jackson Kelly PLLC, of Charleston, West Virginia.

9. LAND AND RIGHTS-OF-WAY: All land, rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the Facilities 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 that would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties that 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.

10. MEETINGS: All actions, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, operation and financing of the Project or the Facilities were authorized or adopted at meetings of the Board duly and regularly or specifically called and held pursuant to all applicable statutes and the rules of procedure of the Board, and a quorum of duly appointed, qualified and acting members of the Board was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

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

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

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

13. SPECIMEN BOND: Attached hereto as Exhibit A is a specimen of the Bond which, except as to execution and authentication, is identical in all respects with the Bond this day delivered to the Authority and being substantially in the form prescribed in the Ordinance.

14. BOND PROCEEDS: On the date hereof, the Issuer received the sum of $30,500 from the Authority and the Council, being a portion of the principal

amount of the Series 2010 A Bonds and the sum of $100,000 from the Authority, being a portion of the principal amount of the Series 2010 B Bonds. The balance of the principal amount of the Series 2010 Bonds will be advanced to the Issuer from time to time as acquisition and construction of the Project progresses.

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

16. VERIFICATION OF SCHEDULE: The final amended Schedule B attached to the Certificate of Consulting Engineer, with the signature of the President and the Consulting Engineer, accurately represents the estimated costs of the Project, the sources of funds available to pay the costs of the Project and the costs of financing of the Bonds.

17. GRANTS: As of the date hereof, the Pleasants County Commission grant in the amount of $500,000 are committed for the Project and are in full force and effect.

18. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied with all the requirements of Chapter 5G, Article 1 of the Code of West Virginia, 1931, as amended, in the procurement of the engineering services of the Consulting Engineer.

19. COUNTERPARTS: This Certificate may be executed in counterparts and all counterparts shall be deemed to be the Certificate.

WITNESS our signatures and the official corporate seal of Pleasants County Development Authority as of the date first written above.

[SEAL]

Signature	Official Title
_____	President
_____	Secretary
_____	Attorney

EXHIBIT A

See Specimen Bonds (Tab No. 16).

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.2
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

GENERAL CERTIFICATE OF PLEASANTS COUNTY PUBLIC SERVICE DISTRICT ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE
5. SIGNATURES AND DELIVERY
6. PUBLIC SERVICE COMMISSION ORDER
7. INCUMBENCY AND OFFICIAL NAME
8. MEETINGS
9. INSURANCE
10. EXECUTION, DELIVERY AND VALIDITY OF AGREEMENT
11. PROCUREMENT OF ENGINEERING SERVICES
12. VERIFICATION OF SCHEDULE
13. COUNTERPARTS

On this 11th day of June, 2010, we, the undersigned CHAIRPERSON and the undersigned SECRETARY of the Public Service Board of Pleasants County Public Service District (the "District") and the undersigned ATTORNEY for the District, hereby certify in connection with the Pleasants County Development Authority (the "Authority") Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) and Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), dated the date hereof (the "Bonds" or the "Series 2010 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning set forth in the Bond Ordinance duly adopted by the Authority on May 24, 2010, the Supplemental Resolution duly adopted by the Authority on May 24, 2010 (collectively, the "Ordinance").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the entering into of the Operation and Maintenance Agreement by and among the District, the Authority and the Pleasants County

Commission (the "O & M Agreement"), the operation of the Phase I Facilities; nor questioning the existence of the Authority or the title of the members or officers of the Authority or the Board thereof to their respective offices; nor questioning any proceedings of the Authority taken with respect to the authorization, entering into and execution of the O & M Agreement and the operation of the Phase I Facilities.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations, licenses, orders and certificates required by law for the creation and existence of the District, the acquisition and construction of the Project, the operation of the Phase I Facilities, the imposition of rates and charges and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited by the District in accordance with Chapter 5, Article 22, Section 1 of the Code of West Virginia, 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE: There has been no adverse change in the financial condition of the District since the approval, execution and delivery of the O & M Agreement. The District will provide the financial, institutional, legal and managerial capabilities necessary to operate the Phase I Facilities.

5. SIGNATURES AND DELIVERY: The undersigned Chairperson and Secretary are the duly elected or appointed, qualified and acting officers of the District as indicated by the official titles opposite their signatures below, and are duly authorized to execute the O & M Agreement for the District. On the date hereof, the undersigned Chairperson did officially sign the O & M Agreement by his or her manual signature.

6. PUBLIC SERVICE COMMISSION ORDER: The District has received Recommended Decision of the Administrative Law Judge entered on November 13, 2009, as made final by the PSC on December 3, 2009, in Case No. 08-2110-PWD-PC-CN, granting to the District a certificate of public convenience and necessity for the Project and approving the financing for the Project approving the Lease Agreement and approving the O & M Agreement. The time for appeal of the PSC Order has expired prior to the date hereof without any appeal having been filed. The Order remains in full force and effect.

7. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the District is "Pleasants County Public Service District." The District is a public service district and public corporation duly created by The County Commission of Pleasants County and existing under the laws of, and a political subdivision of, the State

of West Virginia in Pleasants County of said State. The District will operate the Phase I Facilities in Pleasants County of said State. The governing body of the District is its Public Service Board, consisting of three duly appointed, qualified and acting members, whose names and dates of commencement and termination of their current terms are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
Harry E. Bartrug	January 20, 2010	December 31, 2014
Mark Bailey	January 20, 2010	December 31, 2012
Kathryn Robert Campbell	January 20, 2010	December 31, 2010

The duly elected or appointed officers of the Board for 2010 are as follows:

Harry E. Bartrug	-	Chairperson
Mark Bailey	-	Secretary
Kathryn Roberta Campbell	-	Treasurer

The duly appointed and acting attorney for the District is Bowles, Rice, McDavid, Graff & Love PLLC, of Charleston, West Virginia.

8. MEETINGS: All actions, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the District in any way connected with the entering into of the O & M Agreement and the acquisition, construction, operation and financing of the Project or the Phase I Facilities were authorized or adopted at meetings of the Board duly and regularly or specifically called and held pursuant to all applicable statutes and the rules of procedure of the Board, and a quorum of duly appointed, qualified and acting members of the Board was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. INSURANCE: The District, as required by the O & M Agreement, will maintain or, as appropriate, will require all contractors to maintain worker's compensation, public liability insurance, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Ordinance. All insurance for the Phase I Facilities required by the Ordinance are in full force and effect.

10. EXECUTION, DELIVERY AND VALIDITY OF AGREEMENT: The O & M Agreement has been duly authorized, executed and delivered by the District and on its behalf by duly chosen, qualified and acting officers of the District, has not been altered, modified or otherwise amended and is in full force and effect as of the date hereof. The O & M Agreement constitutes a valid and legally binding agreement and obligation of the District enforceable in accordance with its terms, except (i) as the same shall be subject to limitations upon the right to obtain judicial orders requiring specific performance or granting injunctive relief, (ii) as may be limited by the laws of bankruptcy, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally, and (iii) as enforceability of indemnity provisions contained therein may be limited under applicable laws or may be against public policy. The execution and delivery of the O & M Agreement by the District and the compliance with the provisions thereof will not conflict with, result in a breach of their terms, conditions or provisions of or constitute a default under, or result in the creation or any imposition of any lien, charge or encumbrance upon any of the property or assets of the District pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, undertaking or other agreement, document or instrument to which the District is a party or bound or to which any of the property or assets of the District are subject, nor will such action conflict with, result in a material breach of, constitute a default under or result in a violation of any statute, law, ordinance, judgment, ruling, decree, order, rule or regulation to which the District is subject or to which any of its properties are subject or which is applicable to the transactions described herein; and no consent, certificate, approval, authorization, order, registration, exemption or qualification of or with any court or any regulatory authority or any governmental authority or body is required for the execution and delivery of the O & M Agreement by the District or in connection with the Project, the O & M Agreement or the transactions contemplated thereby, except those already obtained.

11. PROCUREMENT OF ENGINEERING SERVICES: The District has complied with all the requirements of Chapter 5G, Article 1 of the Code of West Virginia, 1931, as amended, in the procurement of the engineering services of the Consulting Engineer.

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

13. COUNTERPARTS: This Certificate may be executed in counterparts and all counterparts shall be deemed to be the Certificate.

WITNESS our signatures and the official corporate seal of Pleasants County Public Service District as of the date first written above.

[SEAL]

Signature	Official Title
Ed Bardwell	Chairperson
Mark Bailey	Secretary
Steven R. Hardman	Attorney

EXHIBIT A

See Specimen Bonds (Tab No. 16).

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.3
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE AS TO USE OF PROCEEDS

On this 11th day of June, 2010, the undersigned President of the Board of Pleasants County Development Authority in Pleasants County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $3,000,000 Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer, dated June 11, 2010 (the "Series 2010 A Bonds") and $100,000 Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), of the Issuer dated June 11, 2010 (the "Series 2010 B Bonds" and together with the Series 2010 A Bonds, the "Bonds"), hereby certify as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Ordinance duly adopted by the Issuer on May 24, 2010 (the "Bond Ordinance"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on June 11, 2010, the date on which the Bonds are being physically delivered in exchange for a portion of the principal amount of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") or

the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2010 A Bonds were sold on June 11, 2010, to the Authority, pursuant to a loan agreement dated June 11, 2010, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of $3,000,000 (100% of par), at which time, the Issuer received the sum of $30,500 from the Authority and the Council, being the first advance of the principal amount of the Bonds. No accrued interest has been or will be paid on the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2010 B Bonds were sold on June 11, 2010, to the Authority, pursuant to a loan agreement dated June 11, 2010, by and between the Issuer and the Authority for an aggregate purchase price of $100,000 (100% of par), at which time, the Issuer received the sum of $100,000 from the Authority, being the entire principal amount of the Bonds. No accrued interest has been or will be paid on the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) capitalizing interest on the Bonds; (ii) fully funding the Reserve Accounts for the Bonds; (iii) paying a portion of the costs of acquisition and construction of certain waterworks facilities located in Pleasants County (the "Project"); and (iv) paying certain costs of issuance of the Bonds and related costs.

8. The Issuer shall, on the date hereof or immediately hereafter, enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds for the acquisition and construction of the Project, constituting a substantial binding commitment, or has already done so. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2010 A Bonds Reserve Account and the Series 2010 B Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before August 1, 2011. The acquisition and construction of the Project is expected to be completed by July 1, 2011.

9. The total cost of the Project is estimated at $3,600,000. Sources and uses of funds for the Project are as follows:

SOURCES

Series 2010 A Bonds Proceeds	$	3,000,000.00
Series 2010 B Bonds Proceeds	$	100,000.00
County Commission Grant	$	708,900.00
Total Sources	$	3,808,900.00

USES

Costs of Project	$	3,563,500.00
Capitalized Interest for Series 2010 B Bonds	$	6,000.00
Reserve Account for Series 2010 A Bonds	$	200,000.00
Reserve Account for Series 2010 B Bonds	$	8,900.00
Costs of Issuance	$	30,500.00
Total Uses	$	3,808,900.00

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

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2010 Bonds Construction Trust Fund;

(4) Series 2010 A Bonds Sinking Fund;

(5) Series 2010 A Bonds Reserve Account;

(6) Series 2010 B Bonds Sinking Fund; and

(7) Series 2010 B Bonds Reserve Account.

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

(1) Series 2010 B Bond proceeds in the amount of $6,000 will be deposited in the Series 2010 B Sinking Fund as capitalized interest on the Series 2010 B Bonds.

(2) Series 2010 A Bond proceeds in the amount of $-0- will be deposited in the Series 2010 A Bonds Reserve Account.

(3) Series 2010 B Bond proceeds in the amount of $-0- will be deposited in the Series 2010 B Bonds Reserve Account.

(4) The balance of the proceeds of the Bonds will be deposited in the Series 2010 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Bonds and related costs, and for no other purpose.

Prior to expenditure, the proceeds of the Bonds in the Series 2010 Bonds Construction Trust Fund will be invested at a yield not to exceed the yield on the Council's bonds, the proceeds of which were used to make the loan to the Issuer.

12. Moneys held in the Series 2010 A Bonds Sinking Fund and the Series 2010 B Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the respective Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2010 A Bonds Reserve Account and Series 2010 B Bonds Reserve Account (if fully funded) will be withdrawn therefrom and deposited into the Series 2010 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

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

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

15. With the exception of the amount deposited in the Series 2010 A Bonds Reserve Account and Series 2010 B Bonds Reserve Account, if any, all of the

proceeds of the Bonds will be expended on the Project within 12 months from the date of issuance thereof.

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

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

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

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

20. The proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue. The Issuer covenants that it shall maintain thorough and accurate accounting records, in conformance with generally accepted accounting principles, relative to the proceeds of the Bonds so that use of the proceeds of the Bonds can be accounted for.

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

22. The Bonds are not federally guaranteed.

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

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

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

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

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

28. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

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

WITNESS my signature as of the date first written above.

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

President

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.4
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE OF SECRETARY
AS TO TRUTH AND ACCURACY OF DOCUMENTS DELIVERED

On this 11th day of June, 2010, the undersigned duly appointed Secretary of Pleasants County Development Authority (the "Issuer") hereby certifies that the copies of the following documents being delivered in connection with the closing of the sale of the Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) and Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), are, as of the date hereof, true and accurate copies of the originals of those documents maintained on file with the Issuer and delivered in the transcript of proceedings, that said documents have been duly adopted or approved by the Board (the "Board") of the Issuer and that said documents are still in full force and effect as of the date hereof and have not been repealed, rescinded, superseded, amended or modified in any way unless the document effecting such repeal, rescission, supersedence, amendment or modification is also listed below:

1. Orders of The County Commission of Pleasants County Creating the Issuer.

2. Orders of The County Commission of Pleasants County Appointing the Members of the Board.

3. Oaths of Office of the Board Members.

4. Bylaws of the Issuer.

5. Public Service Commission Order.

6. Infrastructure Council Approval Letter.

7. Infrastructure Council Loan Agreement.

8. Bond Ordinance.

9. Supplemental Resolution.

10. Minutes of Board Meeting regarding Adoption of Bond Ordinance and Supplemental Resolution.

11. Affidavits of Publication regarding Notice of Borrowing and Notice of Meeting to Adopt Bond Ordinance and Supplemental Resolution.

12. Environmental Health Services Permit.

13. Evidence of Insurance.

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

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

[SEAL]

Secretary

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.5
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE OF CONSULTING ENGINEER

On this 11th day of June, 2010, I, Timothy L. Utt, Registered Professional Engineer, West Virginia License No. 13237, of Burgess & Niple, Inc., Parkersburg, West Virginia, hereby certify as follows:

1. Burgess & Niple, Inc., is engineer for the acquisition and construction of waterworks facilities located in Pleasants County, West Virginia (the "Project") to be constructed in Pleasants County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. All capitalized words used herein and not defined herein shall have the same meaning set forth in the Bond Ordinance adopted by the Issuer on May 24, 2010, the Series 2010 A Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated June 11, 2010 (the "Series 2010 A Loan Agreement") and the Series 2010 B Loan Agreement by and between the Issuer and the Authority, dated June 11, 2010 (the "Series 2010 B Loan Agreement").

2. The Bonds are being issued for the purposes of (i) capitalizing interest on the Bonds; (ii) fully fund the reserve accounts for the Bonds; (iii) paying a portion of the costs of acquisition and construction of the Project; and (iv) paying certain costs of issuance and related costs.

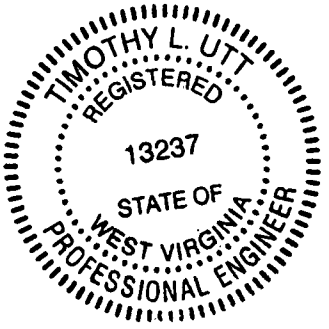
3. To the best of our knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by Burgess & Niple, Inc., and any change orders approved by the Issuer, the Council, the Authority and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and when constructed, in our professional opinion, has an anticipated useful life of at least 40 years, if properly operated and maintained, excepting anticipated replacements

due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A; (iv) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (v) the successful bidders acknowledged receipt of all addenda to the original bid documents; (vi) the bid documents relating to the Project reflect the Project as approved by the West Virginia Bureau for Public Health and the bid forms provided to the bidders contain the critical operational components of the Project; (vii) the successful bids include prices for every item on such bid forms; (viii) the uniform bid procedures were followed; (ix) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; and (x) the net proceeds of the Bonds, together with all moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the Council.

4. The project will serve 216 customers in the Route 2 North, Federal Ridge and Calcutta/Wiley Pleasants Ridge areas of Pleasants County.

WITNESS our signatures and seals as of the date first written above.

[SEAL]



BURGESS & NIPLE, INC.
Timothy L. Utt, P.E.
West Virginia License No. 13237

{C1755018.1}

Final 6-2-10
Pleasants County PSD
Schedule B WV IJDC Project No. 2008W - 1062

	Total	EPA	SCBG	PCDA IJDC	PCDA WDA	RUS Loan	RUS Grant	County Commission
Construction								
Contract #1 Littman	$ 2,167,468.45	$ 743,400.00		$ 1,424,068.45				
Contract #2 Littman	$ 1,478,874.50	$ 700,000.00		$ 778,874.50				
Contract #3 JR Contracting	$ 1,791,454.00		$ 1,470,000.00			$ 20,000.00	$ 301,454.00	
Contract #5 Caldwell	$ 485,400.00			$ 274,048.00	$ 94,000.00	$ 22,600.00	$ 94,752.00	
Contract #5a Welding	$ 217,444.00					$ 19,150.00	$ 119,194.00	$ 79,100.00
Technical Services								
a. Final Design and Bidding	$ 46,400.00					$ 46,400.00		
b. RPR	$ 362,000.00						$ 362,000.00	
c. Services During Const.	$ 239,000.00			$ 189,000.00			$ 50,000.00	
d. Post construction services	$ 10,600.00						$ 10,600.00	
Legal & Fiscal	$ 146,500.00			$ 5,000.00		$ 87,000.00	$ 19,500.00	$ 35,000.00
Administrative	$ 49,400.00		$ 28,000.00					$ 21,400.00
Land Rights	$ 27,500.00					$ 27,500.00		
Permits	$ 90,000.00					$ 90,000.00		
Capitalized Interest	$ 38,850.00				$ 6,000.00	$ 32,850.00		
Equipment	$ 20,000.00							$ 20,000.00
Tap Fees	$ 2,000.00		$ 2,000.00					
Construction Contingency	$ 307,000.00			$ 210,000.00			$ 97,000.00	
Project Contingency	$ 127,609.05			$ 93,509.05			$ 34,100.00	
Total	$ 7,607,500.00	$ 1,443,400.00	$ 1,500,000.00	$ 2,974,500.00	$ 100,000.00	$ 345,500.00	$ 1,088,600.00	$ 155,500.00
Other Costs								
a. Registrar Fees	$ 500.00			$ 500.00				
b. Bond Counsel	$ 44,500.00			$ 25,000.00		$ 19,500.00		
Total Cost of Financing	$ 45,000.00	$ -	$ -	$ 25,500.00	$ -	$ 19,500.00	$ -	$ -
Total Project Cost	**$ 7,652,500.00**	**$ 1,443,400.00**	**$ 1,500,000.00**	**$ 3,000,000.00**	**$ 100,000.00**	**$ 365,000.00**	**$ 1,088,600.00**	**$ 155,500.00**

Federal Grants (SCBG, EPA, RUS)	$ 4,032,000.00
Local Grant (County Commission)	$ 155,500.00
Federal Loan (RUS)	$ 365,000.00
Total Grants/Fed. Loan	$ 4,552,500.00
Size of Bond Issue (IJDC, WDA)	$ 3,100,000.00

Timothy L. Utt, PE

Pleasants County Development Authority

CHAIR PCPSD

Smith, Cochran & Hicks, P.L.L.C.
Certified Public Accountants Oak Hill Charleston Montgomery
405 Capitol Street • Suite 908 • Charleston, WV 25301 • 304-345-1151 • Fax 304-346-6731

June 11, 2010

PLEASANTS COUNTY DEVELOPMENT AUTHORITY
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

Pleasants County Development Authority
St. Marys, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the lease payments to be made by The County Commission of Pleasants County (the "County Commission") to the Pleasants County Development Authority (the "Issuer"), under the certain Agreement and Leases of the Facilities dated as of the date of closing of the Series 2010 A Bonds and the Series 2010 B Bonds (hereinafter defined), by and between the County Commission and the Issuer, it is my opinion that such payments will be sufficient, so long as such payments are made, to provide revenues which will be sufficient to pay 100% of the maximum amount required in any year for debt service and all reserve accounts payments, if any, on the Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) (the "Series 2010 A Bonds") and Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority) (the "Series 2010 B Bonds"), to be issued to the West Virginia Water Development Authority on the date hereof.

Very truly yours,

Smith Cochran & Hicks

Smith, Cochran & Hicks, PLLC

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.7
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

RECEIPT FOR BONDS

The undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, hereby certifies as follows:

1. On this 11th day of June, 2010, in Charleston, West Virginia, the Authority received the Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of Pleasants County Development Authority (the "Issuer"), in the principal amount of $3,000,000, numbered AR-1, issued in the form of one bond and the Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), of the Issuer, in the principal amount of $100,000, numbered BR-1, issued in the form of one bond, fully registered to the Authority, and dated June 11, 2010 (the "Bonds").

2. At the time of such receipt of the Bonds, they had been executed by the President of the Issuer and attested by the Secretary of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been impressed upon the Bonds.

WITNESS my signature on this 11th day of June, 2010.

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

Carol A. Cummings
Authorized Representative

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.8
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

RECEIPT FOR BOND PROCEEDS

The undersigned President of Pleasants County Development Authority (the "Issuer"), for and on behalf of the Issuer, hereby certifies as follows:

On this 11th day of June, 2010, the Issuer received from the West Virginia Water Development Authority (the "Authority"), as the original purchaser of the $3,000,000 Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) (the "Series 2010 A Bonds"), and $100,000 Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority) (the "Series 2010 B Bonds"), the sum of $30,500, being a portion of the principal amount of the Series 2010 A Bonds and the sum of $100,000, being the entire principal amount of the Series 2010 B Bonds, all dated June 11, 2010. The Issuer understands that the remaining proceeds of the Series 2010 A Bonds and the Series 2010 B Bonds will be advanced to the Issuer by the Authority and the West Virginia Infrastructure and Jobs Development Council from time to time as construction proceeds to completion.

WITNESS my signature on this 11th day of June, 2010.

PLEASANTS COUNTY DEVELOPMENT
AUTHORITY

President

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.9
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

REQUEST AND AUTHORIZATION TO
AUTHENTICATE, REGISTER AND DELIVER BONDS

United Bank, Inc.
Charleston, West Virginia

Ladies and Gentlemen:

We herewith hand to you, duly executed, the $3,000,000 Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), in the form of one bond, numbered AR-1 and the $100,000 Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), all dated June 11, 2010 (the "Bonds"), of Pleasants County Development Authority (the "Issuer"), authorized to be issued under and pursuant to a Bond Ordinance and a Supplemental Resolution duly adopted by the Issuer on May 24, 2010.

You are hereby requested and authorized to authenticate, register and deliver the Bonds on behalf of the Issuer to the West Virginia Water Development Authority.

WITNESS my signature on this 11th day of June, 2010.

PLEASANTS COUNTY DEVELOPMENT
AUTHORITY

President

(SEAL)

Attest:

Secretary

{C1755178.1}

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.10
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 11th day of June, 2010, by and between PLEASANTS COUNTY DEVELOPMENT AUTHORITY, a public corporation (the "Issuer"), and UNITED BANK, INC., Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $3,000,000 Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) and $100,000 Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), all dated June 11, 2010 (the "Bonds"), in the form of one bond, in fully registered form, pursuant to a Bond Ordinance and a Supplemental Resolution adopted by the Issuer on May 24, 2010 (collectively, the "Ordinance");

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 Ordinance, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Ordinance provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Ordinance and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Ordinance 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 Ordinance, 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 in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or

similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation heretofore agreed by the parties and set forth in the attached invoice.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Ordinance with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Ordinance, the terms of the Ordinance 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 Ordinance 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 address:

ISSUER:
Pleasants County Development Authority
P.O. Box 339
309 Second Street
St. Marys, WV 26170
Attention: President

REGISTRAR:
United Bank, Inc.
500 Virginia Street East
Charleston, WV 25301
Attention: Corporate Trust Department

The Issuer and the Registrar shall notify the other in writing of any change of address.

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

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

PLEASANTS COUNTY DEVELOPMENT AUTHORITY

President

UNITED BANK, INC.

Authorized Officer

EXHIBIT A

See Bond Ordinance (Tab No. 10)

See Supplemental Resolution (Tab No. 11)

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.11
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

CERTIFICATE OF REGISTRATION OF BONDS

UNITED BANK, INC., Charleston, West Virginia, as Registrar (the "Registrar"), hereby certifies that on the date hereof, the single, fully registered Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of Pleasants County Development Authority (the "Issuer"), dated June 11, 2010, in the principal amount of $3,000,000, numbered AR-1, and Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), of the Issuer, dated June 11, 2010, in the principal amount of $100,000, numbered BR-1, was registered as to principal only, in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of the Registrar.

WITNESS my signature on this 11th day of June, 2010.

UNITED BANK, INC., as Registrar

Authorized Officer

PLEASANTS COUNTY DEVELOPMENT AUTHORITY 3.12
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)
WATERWORKS LEASE REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

PLEASANTS COUNTY BANK, St. Marys, West Virginia, hereby accepts appointment as Depository Bank for the Series 2010 A Bonds Construction Trust Fund and the Renewal and Replacement Fund (collectively, the "Funds") in connection with a Bond Ordinance and a Supplemental Resolution adopted by Pleasants County Development Authority (the "Issuer") on June 11, 2010 (collectively, the "Ordinance"), authorizing the issuance of the Issuer's Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), in the aggregate principal amount of $3,000,000 and Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), in the aggregate principal amount of $100,000, dated June 11, 2010, and agrees to serve as Depository Bank for the Funds, all as set forth in the Ordinance.

WITNESS my signature on this 11th day of June, 2010.

PLEASANTS COUNTY BANK

President / CEO

Authorized Officer

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 401
1207 Quarrier Street, Charleston, WV 25301
(304) 558-3971

3.13(A)
NEW ISSUE REPORT FORM
Date of Report: June 11, 2010

ISSUE: Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)
ADDRESS: P.O. Box 339, 309 Second Street, St. Marys, WV 26170 COUNTY: Pleasants

PURPOSE OF ISSUE: New Money X
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: June 11, 2010 CLOSING DATE: June 11, 2010
ISSUE AMOUNT: $3,000,000 RATE: 0%
1st DEBT SERVICE DUE: December 1, 2012 1st PRINCIPAL DUE: December 1, 2012
1st DEBT SERVICE AMOUNT: $50,000 PAYING AGENT: Municipal Bond Commission

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

CLOSING BANK: Pleasants County Bank ESCROW TRUSTEE: _____
Contact Person: _____
Contact Person: F. Michael Nelson Phone: _____
Phone: (304) 684-2227

KNOWLEDGEABLE ISSUER CONTACT: OTHER: WV Infrastructure & Jobs Development Council
Contact Person: Jim McGoldrick Contact Person: Angela Chestnut
Position: Executive Director Function: Executive Director
Phone: (304) 684-1220 Phone: (304) 558-4607
E-Mail: pcda@FrontierNet.net

DEPOSITS TO MBC AT CLOSE: _____ Accrued Interest: $_____
Capitalized Interest: $_____
By _____ Wire _____ Reserve Account: $_____
_____ Check _____ Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire _____ To Escrow Trustee: $_____
_____ Check _____ To Issuer: $_____
_____ IGT _____ To Cons. Invest. Fund $_____
To Other: _____ $_____

NOTES: Reserve Account will be fully funded in 2012 fiscal year by a grant from the Pleasants County Commission.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 401
1207 Quarrier Street, Charleston, WV 25301
(304) 558-3971

3.13(B)
NEW ISSUE REPORT FORM
Date of Report: June 11, 2010

ISSUE: Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority)
ADDRESS: P.O. Box 339, 309 Second Street, St. Marys, WV 26170 COUNTY: Pleasants

PURPOSE OF ISSUE: New Money X
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: June 11, 2010 CLOSING DATE: June 11, 2010
ISSUE AMOUNT: $100,000 RATE: 4%
1st DEBT SERVICE DUE: October 1, 2010 1st PRINCIPAL DUE: October 1, 2013
1st DEBT SERVICE AMOUNT: $1,222.22 PAYING AGENT: Municipal Bond Commission

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

CLOSING BANK: Pleasants County Bank ESCROW TRUSTEE: _____
Contact Person: _____
Contact Person: F. Michael Nelson Phone: _____
Phone: (304) 684-2227

KNOWLEDGEABLE ISSUER CONTACT: OTHER: WV Water Development Authority
Contact Person: Jim McGoldrick Contact Person: Carol Cummings
Position: Executive Director Function: _____
Phone: (304) 684-1220 Phone: (304) 558-3612
E-Mail: pcda@FrontierNet.net

DEPOSITS TO MBC AT CLOSE: _____ Accrued Interest: $ _____
Capitalized Interest: $ 6,000
By X Wire _____ Reserve Account: $ _____
Check _____ Other: _____ $ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire _____ To Escrow Trustee: $ _____
_____ Check _____ To Issuer: $ _____
_____ IGT _____ To Cons. Invest. Fund $ _____
_____ To Other: _____ $ _____

NOTES: Reserve Account will be fully funded in 2012 fiscal year by a grant from the Pleasants County Commission.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL & WASHINGTON STREETS 1 DAVIS SQUARE, SUITE 200 CHARLESTON, WV 25301
Telephone (304) 558-2981

PERMIT

PROJECT: (Water) Federal Ridge, Pleasants Ridge and Calcutta-Wiley Water Extensions **PERMIT NO.:** 18,228

LOCATION: near St. Marys **COUNTY:** Pleasants **DATE:** 2-5-2009

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Pleasants County Public Service District
P. O. Box 369
St. Mary's, West Virginia 26170

is hereby granted approval to: install approximately 13,850 LF of 8", 162,000 LF of 6", 2,800 LF of 4" and 2,900 LF of 2" water lines; one (1) 1.5"/1.5" pressure reducing station; one (1) 60 GPM duplex water booster station (expandable to 3 pumps) with provisions for booster chlorination; one (1) 76 GPM duplex water booster station (expandable to 3 pumps) with provisions for booster chlorination; one (1) 100,000 gallon elevated water storage tank; one (1) 100,000 gallon water storage tank; all necessary valves, controls and appurtenances; with water being purchased from the City of St. Marys.

Facilities are to serve 200 customers in the Federal Ridge, Pleasants Ridge and Calcutta-Wiley areas in the Pleasants County Public Service District.

Note: **This permit is contingent upon all new water lines and tanks being disinfected, flushed and bacteriologically tested, prior to use; and 2) Enclosure of the two (2) 100,000 water storage tanks by minimum six (6) feet high fencing with lockable gates.**

The Office of Environmental Health Services **OEHS Wheeling District Office, (304) 238-1145,** is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:cls
pc: Burgess & Niple, Inc.
City of St. Mary's
James W. Ellars, P.E., PSC-Engineering Division
Amy Swann, PSC
Pleasants County Health Department
OEHS-EED Wheeling District Office

CERTIFICATE OF LIABILITY INSURANCE

DATE 07/01/2010

PRODUCER
WVCoRP
308 MARKET STREET SE
SUITES 1&2
ROANOKE VA 24011

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.

COMPANIES AFFORDING COVERAGE

INSURED
PLEASANTS COUNTY PSD
PO BOX 369
ST. MARYS, WV 26170

Company A	West Virginia Counties Group Self Insurance Risk Pool
Company B	
Company C	
Company D	

COVERAGES

This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS		
A	*GENERAL LIABILITY* ☒ Commercial General Liability ☐ Claims Made ☒ Occur ☐ Owners & Contractors Prot ☐ _____	WV-PL-037P-12	07/01/2010	7/1/2011	General	$	3,000,000
					Products- Comp/OP	$	3,000,000
					Personal & ADV Injury	$	3,000,000
					Each Occurrence	$	3,000,000
					Fire Damage (Any one fire)	$	100,000
					Med. Exp. (Any one person)	$	0
A	*AUTOMOBILE LIABILITY* ☐ Any Auto ☐ All Owned Autos ☐ Scheduled Autos ☒ Hired Autos ☒ Non-Owned Autos	WV-PL-037P-12	07/01/2010	7/1/2011	Combined Single Limit	$	3,000,000
					Bodily Injury (Per person)	$	
					Bodily Injury (Per accident)	$	
					Property Damage	$	
A	*LAW ENFORCEMENT LIABILITY*				Each Wrongful Act	$	
					Deducible	$	
A	*PUBLIC OFFICIALS LIABILITY INCLUDING EMPLOYMENT PRACTICES LIABILITY*	WV-PL-037P-12	07/01/2010	7/1/2011	Each Loss	$	3,000,000
					Annual Aggregate	$	3,000,000
					Deductible	$	2,500
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Proprietor/Partners /Executive Officers Are: ☐ Incl ☐ Excl				☐ WC Statutory Limits ☐ Other		
					EL Each Accident	$	
					EL Disease-Policy Limit	$	
					EL Disease-Each Emp.	$	
A	*OTHER* Crime	WV-PL-037P-12	07/01/2010	7/1/2011	$500,000 Blanket, $250 Deductible		

Description of Operations/Locations/Vehicles/Special Items: Certificate Holder is added as an additional insured to the extent permitted by the laws of the State of WV and only in respect to claims or actions arising from or in connection with negligent acts of the County, its employees agents or officials.

CERTIFICATE HOLDER

WV WATER DEVELOPMENT AUTHORITY,
PLEASANTS COUNTY DEVELOPMENT AUTHORITY, AND
UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT

CANCELLATION

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

Authorized Representative

Carol Jordan

CERTIFICATE OF LIABILITY INSURANCE

DATE 06/05/2010

PRODUCER
WVCORP
308 MARKET STREET SE
SUITES 1&2
ROANOKE VA 24011

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.

COMPANIES AFFORDING COVERAGE

INSURED
PLEASANTS COUNTY PSD
PO BOX 369
ST. MARYS, WV 26170

Company A	West Virginia Counties Group Self Insurance Risk Pool
Company B	
Company C	
Company D	

COVERAGES

This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS		
A	*GENERAL LIABILITY* ☒ Commercial General Liability ☐ Claims Made ☒ Occur ☐ Owners & Contractors Prot ☐ _____	WV-PL-037P-11	06/05/2010	7/1/2010	General	$	3,000,000
					Products- Comp/OP	$	3,000,000
					Personal & ADV Injury	$	3,000,000
					Each Occurrence	$	3,000,000
					Fire Damage (Any one fire)	$	100,000
					Med. Exp. (Any one person)	$	0
A	*AUTOMOBILE LIABILITY* ☐ Any Auto ☐ All Owned Autos ☐ Scheduled Autos ☒ Hired Autos ☒ Non-Owned Autos	WV-PL-037P-11	06/05/2010	7/1/2010	Combined Single Limit	$	3,000,000
					Bodily Injury (Per person)	$	
					Bodily Injury (Per accident)	$	
					Property Damage	$	
A	*LAW ENFORCEMENT LIABILITY*				Each Wrongful Act	$	
					Deducible	$	
A	*PUBLIC OFFICIALS LIABILITY INCLUDING EMPLOYMENT PRACTICES LIABILITY*	WV-PL-037P-11	06/05/2010	7/1/2010	Each Loss	$	3,000,000
					Annual Aggregate	$	3,000,000
					Deductible	$	2,500
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Proprietor/Partners /Executive Officers Are: ☐ Incl ☐ Excl				☐ WC Statutory Limits ☐ Other		
					EL Each Accident	$	
					EL Disease-Policy Limit	$	
					EL Disease-Each Emp.	$	
A	*OTHER* Crime	WV-PL-037P-11	06/05/2010	7/1/2010	$500,000 Blanket, $250 Deductible		

Description of Operations/Locations/Vehicles/Special Items: Certificate Holder is added as an additional insured to the extent permitted by the laws of the State of WV and only in respect to claims or actions arising from or in connection with negligent acts of the County, its employees agents or officials.

CERTIFICATE HOLDER

WV WATER DEVELOPMENT AUTHORITY,
PLEASANTS COUNTY DEVELOPMENT AUTHORITY, AND
UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT

CANCELLATION

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

Authorized Representative

Carol Jordan

JACKSONKELLY
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CLOSING MEMORANDUM

3.16

To: **Carol Cummings**
Angela Chestnut
Sara Boardman
Jim McGoldrick

From: **Ryan White**

Date: **June 11, 2010**

Re: **Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority**

DISBURSEMENTS TO DISTRICT

(A)	Payor:	West Virginia Infrastructure Fund
	Source:	Series 2010 A Bonds Proceeds
	Amount:	$30,500
	Date:	June 11, 2010
	Form:	Wire Transfer
	Payee:	Pleasants County Development Authority
	Bank:	Pleasants County Bank
	Contact:	Michael Nelson, (304) 684-2227
	Routing No.:	051501765
	Account No.:	01169994
	Account:	Series 2010 Bonds Construction Trust Fund
(B)	Payor:	West Virginia Water Development Authority
	Source:	Series 2010 B Bonds Proceeds
	Amount:	$94,000
	Date:	June 11, 2010
	Form:	Wire Transfer
	Payee:	Pleasants County Development Authority
	Bank:	Pleasants County Bank

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Contact:	Michael Nelson, (304) 684-2227
Routing No.:	051501765
Account No.:	01169994__
Account:	Series 2010 Bonds Construction Trust Fund

DISBURSEMENTS TO MUNICIPAL BOND COMMISSION

(C)

Payor:	West Virginia Water Development Authority
Source:	Series 2010 B Bonds Proceeds
Amount:	$6,000
Date:	June 11, 2010
Form:	Wire Transfer
Payee:	West Virginia Municipal Bond Commission
Bank:	Branch Banking & Trust Company, Charleston, WV
ABA No.:	051503394
Account No.:	5270517317
Contact:	West Virginia State Treasurer for West Virginia Municipal Bond Commission
Account:	Series 2010 B Sinking Fund

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4.1(A)

June 11, 2010

Pleasants County Development Authority
St. Marys, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Re: Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)

Ladies and Gentlemen:

We have served as bond counsel to Pleasants County Development Authority (the "Issuer") in connection with the issuance of its Waterworks Lease Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined certified copies of proceedings and other papers relating to the authorization of (i) a loan agreement for the Bonds, dated June 11, 2010, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the Bonds to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are issued in the principal amount of $3,000,000, in the form of one bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2012, all as set forth in the Schedule Y attached to the Loan Agreement and incorporated in and made a part of the Bonds.

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Denver, CO • Lexington, KY • Pittsburgh, PA • Washington, DC

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 7, Article 12, Chapter 8, Article 16 and Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (collectively, the "Act"), for the purposes of (i) capitalizing interest on the Bonds; (ii) fully funding the reserve accounts for the Bonds; (iii) paying a portion of the costs of acquisition and construction of certain waterworks facilities located in Pleasants County (the "Project"); and (iv) paying certain costs of issuance of the Bonds and related costs.

We have also examined the applicable provisions of the Act and a Bond Ordinance duly enacted by the Issuer on May 24, 2010, as supplemented by a Supplemental Resolution duly adopted by the Issuer on May 24, 2010 (collectively, the "Ordinance"), pursuant to and under which Act and Ordinance the Bonds are authorized and issued, and the Loan Agreement is entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Ordinance and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Ordinance and the Loan Agreement when used herein.

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

1. The Issuer is a duly created and validly existing county development authority and is a public agency and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain and lease the Facilities, to enact the Ordinance and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

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

4. The Issuer has legally and effectively adopted the Ordinance and all other necessary resolutions, orders or ordinances in connection with the issuance and sale of the Bonds. The Ordinance constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms thereof and contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues (as defined in the Ordinance) and secured by a first lien on and a pledge of the Net Revenues (as defined in the Ordinance), on a parity with respect to liens, pledge and source of and security for payment with the Series 2010 B Bonds, all in accordance with the terms of the Bonds and the Ordinance.

6. Under the Act, the Bonds and the interest, if any, thereon are exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

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

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

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

Very truly yours,

Jackson Kelly PLLC

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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4.1(B)

June 11, 2010

Pleasants County Development Authority
St. Marys, West Virginia

West Virginia Water Development Authority
Charleston, WV 25311

Re: Pleasants County Development Authority Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority)

Ladies and Gentlemen:

We have served as bond counsel to the Pleasants County Development Authority (the "Issuer"), a municipal corporation, in connection with the issuance of its Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority), dated the date hereof (the "Bonds").

We have examined certified copies of proceedings and other papers relating to the authorization of (i) a loan agreement dated June 11, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), and (ii) the Bonds to be purchased by the Authority in accordance with the Loan Agreement. The Bonds are issued in the principal amount of $100,000, in the form of one bond, registered as to principal and interest to the Authority, bearing interest at the rate of 4% per annum, with principal and interest payable semi-annually on April 1 and October 1 of each year commencing October 1, 2012, all as set forth in the Schedule Y attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 7, Article 12, Chapter 8, Article 16 and Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended (the 'Act"), for the purposes of (i) capitalizing interest on the Bonds; (ii) fully funding the reserve accounts for the Bonds; (iii) paying a portion of the costs of

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acquisition and construction of certain waterworks facilities located in Pleasants County (the "Project"); and (iv) paying certain costs of issuance of the Bonds and related costs.

We have also examined the applicable provisions of the Act and a Bond Ordinance duly passed by the Issuer on May 10, 2010, effective May 24, 2010, as supplemented by a Supplemental Resolution duly adopted by the Issuer on May 24, 2010 (collectively, the "Ordinance"), pursuant to and under which Act and Ordinance the Bonds are authorized and issued, and the Loan Agreement is entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Ordinance and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Ordinance and in the Loan Agreement when used herein.

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

1. The Issuer is a duly organized and presently existing county development authority and is a public agency and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate, maintain and lease the Facilities, to enact the Ordinance and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

3. 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 written consent of the Authority.

4. The Issuer has legally and effectively enacted the Ordinance and adopted all other necessary resolutions in connection with the issuance and the sale of the Bonds. The Ordinance constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms thereof and contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues (as defined in the Ordinance) and secured by a first lien on and pledge of the Net Revenues (as defined in the Ordinance), on a parity with respect to liens, pledge and source of and security for payment with the Series 2010 A Bonds, all in accordance with the terms of the Bonds and the Ordinance.

6. Under the Act, the Bonds and any interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof.

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

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

We have examined the executed and authenticated 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,

Jackson Kelly PLLC

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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4.2

June 11, 2010

Pleasants County Development Authority
St. Marys, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Re: Pleasants County Development Authority
Waterworks Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)
Waterworks Lease Revenue Bonds, Series 2010 B (West Virginia Water Development Authority)

Ladies and Gentlemen:

We are counsel to Pleasants County Development Authority (the "Issuer"). As such counsel, We have examined copies of the approving opinions of Jackson Kelly PLLC, as bond counsel, relating to the above-captioned bonds of the Issuer (the "Bonds"), a loan agreement for the Series 2010 A Bonds, dated June 11, 2010, including all schedules and exhibits attached thereto (the "Series 2010 A Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), a loan agreement for the Series 2010 B Bonds, dated June 11, 2010, including all schedules and exhibits attached thereto (the "Series 2010 B Loan Agreement" and together with the Series 2010 A Loan Agreement, the "Loan Agreements") by and between the Issuer and the Authority, a Bond Ordinance duly

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adopted by the Board of the Issuer (the "Board") on May 24, 2010, as supplemented by a Supplemental Resolution duly adopted on May 24, 2010 (collectively, the "Ordinance"), orders of The County Commission of Pleasants County relating to the creation of the Issuer and the appointment of members of the Board, and other documents relating to the Bonds and the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Loan Agreements and the Ordinance when used herein.

We are of the opinion that:

1. The Issuer is a duly created and validly existing county development authority and a public corporation with perpetual existence in Pleasants County, West Virginia, with full power and authority to acquire and construct the Project, to operate, maintain and lease the Facilities and to adopt the Ordinance, all under the Act and other applicable provisions of law.

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

3. The Loan Agreements have 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, enforceable in accordance with its terms.

4. The Ordinance has been duly enacted by the Board and is in full force and effect.

5. The execution and delivery of the Bonds and the Loan Agreements and the consummation of the transactions contemplated by the Bonds, the Loan Agreements and the Ordinance, 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 resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates, registrations and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the Facilities and the imposition of rates and charges for the use of the Facilities, including, without limitation, all requisite permits, approvals, orders and certificates from The County Commission of Pleasants County, the West Virginia Bureau for Public Health, the Council and the Public Service Commission of West Virginia (the "PSC"). The Issuer has received the PSC Order approving the lease of the Facilities. The Issuer has taken all actions required for the entering into of the Lease Agreements and the O & M Agreements.

7. To the best of our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Loan Agreements, the Bonds, the Lease Agreements, the O & M Agreements and the Ordinance, the acquisition and construction of the Project, the operation of the Facilities, the leasing of the Facilities, the validity of the Bonds, the collection of the Gross Revenues or the pledge of the Net Revenues for the payment of the Bonds.

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

Very truly yours,

Jackson Kelly PLLC

JACKSON KELLY PLLC

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Charleston, West Virginia 25301
(304) 347-1100

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Martinsburg, West Virginia 25401
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(304) 594-1000

June 11, 2010

Steven R. Hardman
Telephone — (304) 420-5521
Facsimile — (304) 420-5587

E-Mail Address:
shardman@bowlesrice.com

Pleasants County Development Authority
St. Marys, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Re: Pleasants County Development Authority
Waterworks Lease Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)
Waterworks Lease Revenue Bonds, Series 2010 B
(West Virginia Water Development Authority)

Ladies and Gentlemen:

We have served as counsel to Pleasants County Public Service District (the "District"), in connection with a Operation and Maintenance Agreement, dated June 11, 2010, by and among the Pleasants County Development Authority (the "Issuer"), the Pleasants County Commission (the "County Commission") and the District (the "O&M Agreement"), whereby the Issuer, the District and the County Commission have agreed that certain waterworks facilities to be constructed and acquired in the future, together with all appurtenant facilities (collectively, the "Facilities"), should be operated, maintained, repaired and replaced by the District. The above-captioned Bonds (the "Bonds") are being issued by the Issuer under Chapter 7, Article 12, Chapter 8, Article 16, Chapter 31, Article 15D and Chapter 22C, Article 1 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on May 24, 2010, as supplemented by the Supplemental Resolution duly adopted by the Issuer on May 24, 2010 (collectively, the "Bond Legislation"), for the purposes of (i) capitalizing interest on the Bonds; (ii) fully funding the reasonable reserve accounts; (iii) paying a portion of the costs of

acquisition and construction of certain waterworks facilities to be located in Pleasants County (the "Project"); and (iv) paying certain costs of issuance of the Bonds and related costs. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation when used herein.

In connection with this opinion, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of the Order of the County Commission creating the District, the Rules of Procedure of the District, the Oaths of Office of the District, the O & M Agreement, and such other records, instruments, agreements, certificates (including, without limitation, certificates of public officials and of officers of the District) and other documents (collectively, the "Documents"), and have conducted such investigations of law, as we have deemed necessary for purposes of rendering this opinion. We have assumed the authenticity of the Documents submitted to us as originals, the conformity to originals of the Documents submitted to us as copies and the due authorization, execution and delivery of the Documents by all other parties thereto, if any. As to factual matters necessary for rendering our opinions herein, we have relied upon certificates of the District with respect thereto without independently verifying the same.

Based upon and subject to the foregoing, we are of the opinion that:

1. The District is a duly created, validly existing public service district and public corporation and political subdivision of the State of West Virginia and has full power and authority to execute and deliver the Documents to which the District is a party and to undertake and perform its obligations thereunder.

2. The Documents to which the District is a party have been duly authorized, executed and delivered by the District, are valid and binding upon the District, and are legally enforceable against the District in accordance with the respective terms thereof so as to provide to the other respective parties the substantial enjoyment of the rights and benefits provided for therein, except as may be limited by the laws of bankruptcy, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally, by the application of public policy or by the exercise of judicial discretion.

3. To our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, against or affecting the District, wherein an unfavorable decision, ruling or finding would materially adversely affect the District or the financial condition or operations of the District, or the transactions contemplated by the Documents to which the District is a party, or which would materially adversely affect the Documents to which the District is a party.

4. The Issuer and the District have received the Recommended Decision of the Administrative Law Judge entered on November 13, 2009, as made final by the Public Service

Commission of West Virginia on December 13, 2009, in Case No. 08-2110-PWD-W-PC-CN granting a certificate of public convenience and necessity for the construction of the Project, approving the total cost of the Project, approving the financing therefore, approving the Lease Agreement and approving the A O&M Agreement.

5. The Issuer has duly published the required notice with respect to, among other things, the amount of the Bonds to be issued, the interest rate and terms of the Bonds, the Project to be acquired or constructed, the cost of the Project, the anticipated user rates and charges and the date that a formal application for a certificate of public convenience and necessity is to be filed with the PSC in accordance with Chapter 16, Article 13A, Section 25 of the Code of West Virginia, 1931, as amended, and has duly complied with the provisions thereof.

6. We have ascertained that all successful bidders have provided the drugfree workplace affidavit, submitted their drug free workplace plan, and the contracts contain language that comply with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. We have also ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and we have reviewed such insurance policies or binders and such bonds for accuracy. We have reviewed the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project and verified that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Ordinance and the Loan Agreements; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

Sincerely,

Bowles Rice McDavid Graff & Love LLP

Steven R. Hardman

Steven R. Hardman

SRH/dpw

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(304) 347-1100

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June 11, 2010

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Pleasants County Development Authority
St, Marys, West Virginia

Pleasants County Public Service District
St. Marys, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Re: Final Title Opinion for Pleasants County Development Authority

Ladies and Gentlemen:

I am counsel to Pleasants County Public Service District (the "District") in connection with a proposed project to construct certain waterworks facilities to be located in Pleasants County (the "Project") which shall be owned by the Pleasants County Development Authority (the "Issuer") but constructed, acquired, operated, maintained, repaired and replaced by the District pursuant to an Operation & Maintenance Agreement. I provide this final title opinion on behalf of the District to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council and the West Virginia Water Development Authority for the Project. Please be advised of the following:

1. The District is a duly created and validly existing public service district possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia to construct, operate and maintain the Project as approved by the West Virginia Bureau for Public Health.

2. The District has obtained all necessary permits and approvals for the construction of the Project.

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

4. I have examined the records on file in the Office of the Clerk of The County Commission of Pleasants County, West Virginia, the county in which the Project is to be located, and, in my opinion, the District has acquired legal title or such other estate or interest in all of the necessary site components for the Project, including all easements and/or rights of way, with the exception of those listed in Paragraph 5, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the Project and has assigned such easements and/or rights of way to the Issuer..

5. The following listed properties are to be acquired by eminent domain and the necessary filings have been made in the Office of the Clerk of the Circuit Court of Pleasants County, West Virginia, to permit the Issuer a right-of-entry for the purpose of construction, operation and maintenance of the Project on the subject properties. The Issuer's title thereto is defeasible in the event the Issuer does not satisfy any resulting judgment and/or award in the proceedings for acquisition of said properties, and our certification is subject to the following pending litigation:

See Exhibit A attached hereto.

6. All deeds, easements and rights of way which have been acquired to date by the District and assigned to the Issuer have been duly recorded in the Office of the Clerk of The County Commission of Pleasants County to protect the legal title to and interest of the Issuer.

Sincerely,
Bowles Rice McDavid Graff & Love LLP

Steven R. Hardman

Steven R. Hardman

SRH/dpw

NAME	MAP/PARCEL	DISTRICT
Forrest R. Glover, Jr. & Tina M. Glover	Map 4, Parcel 13	Union
Forrest R. Glover, Jr. & Tina M. Glover	Map 4, Parcel 12	Union
C.E. Price	Map 5, Parcel 18	Union
Elizabeth Jones, Webster Bennett, Roy L. Bennett, Earl L. Bennett, Alden J. Bennett, Agnes Bailey, Larry Bennett, Mary J Allen, Max T. Park, Max J. Park, Trustee, Jennifer Lynn Wright, Sherry J. Robertson, Grady G. Robertson, Audria M. Robertson, Nellie Parks	Map 5, Parcel 21	Union
Howard McBrayer	Map 10, Parcel 2.1	Union
Charles W. Knight	Map 10, Parcel 10	Union
Stanley Kimball & Mary Kimball	Map 5, Parcel 47.2	Union
Jamie Swatman & Timothea Gamble	Map 5, Parcel 37	Union
Heartwood Forestland Fund IV Limited Partnership	Map 6, Parcel 100	Union
Kevin Cecil, Jr.	Map 6, Parcel 27	Union
Daniel Rittenhouse	Map 6, Parcel 7.1	Union
Irvin Northcraft, Pauline Frakes, Isabelle Ferry	Map 2, Parcel 2	Union
Mackenzie N. Smith, a minor	Map 2, Parcel 18	Union
Mackenzie N. Smith, a minor	Map 2, Parcel 18.1	Union
Mackenzie N. Smith, a minor	Map 2, Parcel 18.2	Union
Wiley C. Barnhart, Annie V. Barnhart, James W. Barnhart, Lewis W. Barnhart, Nellie P. Barnhart	Map 5, Parcel 8.1	Union
Daniel M. Masters, George E. Masters	Map 14, Parcel 1.4	Union
Fred White	Map 3, Parcel 27	McKim
Fred White	Map 3, Parcl 28.2	McKim
Fred White	Map 5, Parcel 5	Washington
Gerald E. Burns, Janice M. Burns	Map 3, Parcel 16	McKim
Walter E. Roden	Map 3, Parcel 16.1	McKim
Elizabeth Gilliland	Map 3, Parcel 19.1	McKim
James C. Powell, Eric K. Powell, Kurt G. Powell	Map 3, Parcel 3	Lafayette
William Cox, Eliza Cox, Mary Cox, Isaac Cox, William R. Cox Sr., Port Cox, George Cox, Winfield Cox, Alice cox, Obedia Winland, Clell Winland, Samuel Winland, James Winland, Ethel Lamp, Raymond Peters, Allen Peters, Amos Peters, Bessie Little, Belle Moore, Elizabeth Moore, Audra Bailey, Plezzie Butler, Charles Shaw, Carl Shaw, James Shaw, May Shaw, Edward Shaw, Arthur Edwards, Mary Edwards, Rosa Edwards, Pearl Edwards, Harold Edwards, mary Hart, Jane Wilson (Cox) Bertie K. Cox, Margret J. White, Beulah Dotson, Agnes Harleens, Helen Reitter, Mildred Newhouse, Norma C. Rhodes, IcaFetter, George E. Cox, Ralph E. Cox, Porter E. Cox, Jr., June Grose, Thelma C. Lamp, Freda E. Cox, Roy S. Cox, Mrs. Reed Cox, John cox, Marthalene Arnett, Reed Cox Jr., Grace B. Cox, Penny Eaton, Stephen R. Cox, Pamela Britton, Gayla Cox, Kathryn L. Cox, Emmett B. Lamp, Eugene F. Lamp, Noah A. Lamp, Jr.,	Map 4, Parcel 48	Lafayette

Exhibit A

William Cox, Eliza Cox, Mary Cox, Isaac Cox, William R. Cox Sr., Port Cox, George Cox, Winfield Cox, Alice cox, Obedia Winland, Clell Winland, Samuel Winland, James Winland, Ethel Lamp, Raymond Peters, Allen Peters, Amos Peters, Bessie Little, Belle Moore, Elizabeth Moore, Audra Bailey, Plezzie Butler, Charles Shaw, Carl Shaw, James Shaw, May Shaw, Edward Shaw, Arthur Edwards, Mary Edwards, Rosa Edwards, Pearl Edwards, Harold Edwards, mary Hart, Jane Wilson (Cox) Bertie K. Cox, Margret J. White, Beulah Dotson, Agnes Harleens, Helen Reitter, Mildred Newhouse, Norma C. Rhodes, IcaFetter, George E. Cox, Ralph E. Cox, Porter E. Cox, Jr., June Grose, Thelma C. Lamp, Freda E. Cox, Roy S. Cox, Mrs. Reed Cox, John cox, Marthalene Arnett, Reed Cox Jr., Grace B. Cox, Penny Eaton, Stephen R. Cox, Pamela Britton, Gayla Cox, Kathryn L. Cox, Emmett B. Lamp, Eugene F. Lamp, Noah A. Lamp, Jr.,	Map 4, Parcel 49	Lafayette
W. V. Bills, Ida Houseman, Roxy Core, Ella Ankrom, Joseph H. Bills, Daniel B. Bills, Mary E. Bills Prichard, Violet r. Houseman, Lucy E. Houseman, Joanna Ankrom Goldston, Louise Mader, Hazel Mader, John Houseman, Ruth Thompson, Mary Goodwin, Victor C. Core, Bethel Dinsmore, Opal Irvine, Charles L. Core, Cristine C. Klotz, W. T. Core, Clark D. Cire, Harriet D. Core, Getrude C. Smith, Tyndall D. Dinsmore, Dorothy Zavattero, Elise Holland, Darwin D. Dinsmore, Helen M. Core Allen, Richard Bills, Bonnie Chilenski, Mary Hall, Christine Hart, William Irvine, Charles C. Irvine, Letetia N. O'Connell, Suzanne Irvine, Layton A. B. Klotz, Barbra J.P. Klotz, Jerome R. Klotz, Ruby H. Core, KarenKlotz, Jerry Klotz, Layton Klotz, Charlene Klotz, Paulene Klotz, Helen Klotz, Lilly Klotz, Christine Klotz, Jessie Gill, Helen Allen William Irvine, Trudy Smith, Betty Williams, Eddie L. Bradfield, Valarie Baker, Ella Bradfield, Louise E. Bradfeild	Map 5, Parcel 6	Washington
Cheryl Lowery	Map 5, Parcel 6	McKim
Allen P. Reed III	Map 7, Parcel 53	McKim
PHH Mortgage Corporation	Map 11, Parcel 20	McKim
Bens Run Land Company Limited Partnership	Map 5, Parcel 3	Union
Phil M. Lamp, Jr.	Map 13, Parcel 19.5	Union
Clara Jane Little, Kenneth Little	Map 3, Parcel 13	McKim
C.J. Gardner	Map 10, Parcel 9	Union
Tessy L. Carr	Map 10, Parcel 19.1	Union
Freddie D. Scadden	Map 10, Parcel 19	Union
Freddie D. Scadden	Map 10, Parcel 20	Union