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October 8, 2008

City of Ronceverte  
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

T. Gail White, Mayor  
City of Ronceverte  
Post Office Box 417  
Ronceverte, West Virginia 24970

Dear Mayor White:

Enclosed is the transcript of closing documents for the above-referenced financing for the City of Ronceverte. For auditing purposes, the City should keep the transcript on file until the Bonds mature. Upon receipt, should you have any questions, please call me.

It was a pleasure working with you and the Council. We look forward to working with you again.

My best regards.

Very truly yours,

A handwritten signature in black ink, appearing to be 'John C. Stump', written over a horizontal line.

John C. Stump

JCS/rmc  
Enclosures  
cc: Distribution List (attached)

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CITY OF RONCEVERTE  
WATER REVENUE BONDS, SERIES 2008 A  
(WEST VIRGINIA DWTRF PROGRAM)

TRANSCRIPT DISTRIBUTION LIST

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Ronceverte, West Virginia 24970  
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**CITY OF RONCEVERTE**

**WATER REVENUE BONDS, SERIES 2008 A  
(WEST VIRGINIA DWTRF PROGRAM)**

**DATE OF CLOSING: SEPTEMBER 5, 2008**

**BONDS TRANSCRIPT**

**STEPTOE & JOHNSON PLLC**

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**CITY OF RONCEVERTE**

**Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)**

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5. Infrastructure and Jobs Development Council Approval
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7. Direction to Authenticate and Deliver Bonds
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**CITY OF RONCEVERTE**

**WATER REVENUE BONDS, SERIES 2008 A  
(WEST VIRGINIA DWTRF PROGRAM)**

**BOND ORDINANCE**

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CITY OF RONCEVERTE

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO PUBLIC WATERWORKS SYSTEM OF THE CITY OF RONCEVERTE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF RONCEVERTE OF NOT MORE THAN \$2,500,000 IN AGGREGATE PRINCIPAL AMOUNT WATER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF RONCEVERTE:

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 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The City of Ronceverte (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Greenbrier County of said State.

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

municipal water treatment plant, rehabilitate and install distribution lines, connect the water system to Lewisburg for the provision of water and construct a new storage tank, together with all appurtenant facilities (collectively, the "Project") (the existing public waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia DWTRF Program (the "DWTRF Program") for the West Virginia Bureau for Public Health (the "BPH") which the Authority administers pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), in the total aggregate principal amount of not more than \$2,500,000 (the "Series 2008 A Bonds"), to be initially represented by a single bond, to permanently finance a portion of the costs of acquisition and construction of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2008 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2008 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2008 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2008 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 32 years.

F. It is in the best interests of the Issuer that its Series 2008 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement (the "Loan Agreement") by and between the Issuer and the Authority on behalf of the BPH, in form satisfactory to the respective parties, to be approved hereby if not previously approved by resolution of the Issuer.

G. On the Closing Date there will be no outstanding obligations of the Issuer which will rank on a parity with the Series 2008 A Bonds as to liens, pledge, source of and security for payment.

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

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2008 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof by the West Virginia Bureau for Public Health and the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order.

J. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council pursuant to Chapter 16, Article 13C of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2008 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2008 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

“Act” means, collectively, Chapter 8, Article 19 and Chapter 16, Article 13C the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

“Administrative Fee” means any administrative fee required to be paid pursuant to the Loan Agreement for the Series 2008 A Bonds.

“Authority” means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2008 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority.

“Authorized Officer” means the Mayor of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

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

“Bond Legislation,” “Ordinance,” “Bond Ordinance” or “Local Act” means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

“Bond Registrar” means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

“Bonds” means, collectively, the Series 2008 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

“Bond Year” means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

“BPH” means the West Virginia Bureau for Public Health and any successor thereto.

“Closing Date” means the date upon which there is an exchange of the Series 2008 A Bonds for all or a portion of the proceeds of the Series 2008 A Bonds from the Authority.

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

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

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

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

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

“DWTRF Regulations” means the DWTRF regulations set forth in the West Virginia Code of State Regulations, as amended from time to time.

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

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

“Governing Body” means the Council of the Issuer as it may now or hereafter be constituted.

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

“Grants” means all grants committed to the Project.

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

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

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

“Issuer” means the City of Ronceverte, a municipal corporation and political subdivision of the State of West Virginia, in Greenbrier County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

“Loan Agreement” means the loan agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority on behalf of the BPH, providing for the purchase of the Series 2008 A Bonds, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

“Mayor” means the Mayor of the Issuer.

“Net Proceeds” means the face amount of the Series 2008 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2008 A Bonds Reserve Account.

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

“Operating Expenses” means the reasonable, proper and necessary costs of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the Costs, the Administrative Fee, fees and expenses of the Authority, fiscal agents, the Depository Bank, Registrar and Paying Agent, payments to the 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 the capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond cancelled by the Bond Registrar, at or prior to said date; (ii) any Bond for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders or 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 designated as a Paying Agent for the Series 2008 A Bonds by the Issuer in the Supplemental Resolution with the written consent of the Authority and the BPH.

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

"Qualified Investments" means and includes any of the following unless otherwise set forth in the Supplemental Resolution:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or

issued by any other federal agency and backed by the full faith and credit of the United States of America;

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

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

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

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended including, without limitation, authorized pools of investments operated by such State Board of Investments.

(i) Obligations of States or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Recorder" means the Recorder of the Issuer.

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

“Registrar” means the Bond Registrar.

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

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

“Reserve Account” means the Reserve Account established for the Series 2008 A Bonds by Section 5.01 hereof.

“Reserve Requirement” means the amounts required to be on deposit in the Reserve Account.

“Revenue Fund” means the Revenue Fund established by Section 5.01 hereof.

“Series 2008 A Bonds” means the Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), of the Issuer, authorized by this Ordinance.

“Series 2008 A Bonds Construction Trust Fund” means the Series 2008 A Bonds Construction Trust Fund established by Section 5.01 hereof.

“Series 2008 A Bonds Reserve Account” means the Series 2008 A Bonds Reserve Account established in the Series 2008 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

“Series 2008 A Bonds Reserve Requirement” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2008 A Bonds in the then current or any succeeding year.

“Series 2008 A Bonds Sinking Fund” means the Series 2008 A Bonds Sinking Fund established by Section 5.02 hereof.

“State” means the State of West Virginia.

“Supplemental Resolution” means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article “the,” refers specifically to the supplemental resolution authorizing the sale of the Series 2008 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2008 A Bonds, and not so included may be included in another Supplemental Resolution.

“Surplus Revenues” means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligations of the

Issuer, including, without limitation the Series 2008 A Sinking Funds, the Series 2008 A Reserve Account and the Renewal and Replacement Fund.

“System” means, collectively, the complete public waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever.

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

“West Virginia DWTRF Program” means the West Virginia DWTRF Program established by the State, administered by BPH and funded by capitalization grants awarded to the State pursuant to the federal Safe Drinking Water Act, as amended, for the purpose of establishing and maintaining a permanent perpetual fund for the acquisition, construction and improvement of drinking water projects.

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 the 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 \$4,000,000, which will be paid from proceeds of the Series 2008 A Bonds, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2008 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project in an amount compatible with the financing plan submitted to the BPH and the Authority.

The cost of the project is estimated not to exceed \$4,000,000 of which not more than \$2,500,000 will be obtained from the proceeds of the Series 2008 A Bonds and \$1,500,000 will be obtained from the proceeds of a Small Cities Block Grant.

### ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2008 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2008 A Bonds of the Issuer. The Series 2008 A Bonds shall be issued as a single bond, designated "Water Revenue Bond, Series 2008 A (West Virginia DWTRF Program)", in the principal amount of not more than \$2,500,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2008 A Bonds remaining after funding of the Series 2008 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2008 A Bonds, if any, shall be deposited in or credited to the Series 2008 A Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2008 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2008 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2008 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2008 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2008 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2008 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall have such terms as specified in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2008 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 2008 A Bonds shall cease to be such officer of the Issuer before the Series 2008 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2008 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2008 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2008 A 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 2008 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2008 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2008 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2008 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2008 A Bonds or transferring the registered Series 2008 A Bonds are exercised, all Series 2008 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2008 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2008 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection

therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2008 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2008 A Bonds or, in the case of any proposed redemption of Series 2008 A 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 2008 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2008 A Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2008 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2008 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues. The payment of the debt service of the Series 2008 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System. The Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2008 A Bonds and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2008 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2008 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2008 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2008 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2008 A Bonds.

Section 3.10. Form of Series 2008 A Bonds. The text of the Series 2008 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2008 A BOND)

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
CITY OF RONCEVERTE  
WATER REVENUE BONDS, SERIES 2008 A  
(WEST VIRGINIA DWTRF PROGRAM)

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

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

KNOW ALL MEN BY THESE PRESENTS: That on this \_\_\_ day of \_\_\_\_\_, 2008, the CITY OF RONCEVERTE, a municipal corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 200\_\_ to and including \_\_\_\_\_ 1, 20\_\_\_\_, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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 Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year commencing \_\_\_\_\_ 1, 20\_\_\_\_, as set forth on EXHIBIT B attached hereto.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), 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 BPH, dated \_\_\_\_\_, 2008.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the waterworks portion of the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution

and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on \_\_\_\_\_, 2008, and a Supplemental Resolution duly adopted by the Issuer on \_\_\_\_\_, 2008 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THE ISSUER HAS NO BONDS OR OBLIGATIONS OTHER THAN THIS BOND WHICH IS SECURED BY GROSS REVENUES OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2008 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2008 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Bonds, provided however, that so long as there exists in the Series 2008 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with, or subordinate to, the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF RONCEVERTE has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated as of the date first written above.

[SEAL]

Mayor \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2008 A 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: \_\_\_\_\_, 2008.

THE HUNTINGTON NATIONAL BANK,  
as Registrar

\_\_\_\_\_  
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL \$ \_\_\_\_\_

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

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

\_\_\_\_\_

In the presence of:

\_\_\_\_\_

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2008 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement and all schedules and exhibits attached thereto are hereby approved and ratified and incorporated into this Bond Legislation.

Section 3.12. Filing of Amended Schedule. Upon completion of the acquisition and construction of the Project, the Issuer will file with the BPH and the Authority a schedule for the Series 2008 A Bonds, the form of which will be provided by the Authority and the BPH, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

## ARTICLE V

### FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund; and
- (3) Series 2008 A 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 and the Issuer and from each other:

- (1) Series 2008 A Bonds Sinking Fund; and
- (2) Series 2008 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt 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 order and priority:

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing 3 months prior to the first date of payment of principal of the Series 2008 A Bonds, for deposit in the Series 2008 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2008 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 2008 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing 3 months prior to the first date of payment of principal of the Series 2008 A Bonds, if not fully funded upon

issuance of the Series 2008 A Bonds, for deposit in the Series 2008 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2008 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2008 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 2008 A Bonds Reserve Requirement.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay current Operating Expenses of the System.

(4) The Issuer shall next, on the first day of each month, from the monies remaining in the Revenue Fund, and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2008 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2008 A Bonds as the same shall become due. Monies in the Series 2008 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2008 A Bonds as the same shall come due, when other monies in the Series 2008 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2008 A Bonds Sinking Fund and the Series 2008 A 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 2008 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2008 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2008 A Bonds Reserve Account which result in a reduction in the balance of the Series 2008 A Bonds Reserve Account to below the Series 2008 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the priority order set forth above.

As and when additional Bonds ranking on a parity with the Series 2008 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity

and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2008 A Bonds Sinking Fund, or the Series 2008 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2008 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

B. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement as Exhibit F, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

C. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the required principal, interest and reserve payments with respect to the Series 2008 A 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.

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 anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

E. The monies in excess of the maximum amounts insured by FDIC in all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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 Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

## ARTICLE VI

### APPLICATION OF BOND PROCEEDS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2008 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2008 A Bonds, there shall first be deposited with the Commission in the Series 2008 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2008 A Bonds for the period commencing on the date of issuance of the Series 2008 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2008 A Bonds, there shall be deposited with the Commission in the Series 2008 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2008 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2008 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2008 A Bonds Construction Trust Fund and applied solely to payment of the Costs of the Project in the manner set forth in Section 6.02 hereof and until so expended, are hereby pledged as additional security for the Series 2008 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2008 A Bonds shall be expended as approved by the BPH.

Section 6.02. Disbursements of Bond Proceeds. The Issuer shall each month provide the BPH with a requisition for the costs incurred for the Project, together with such documentation as the BPH shall require. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements of the proceeds of the Series 2008 A Bonds from the Series 2008 A Bonds Construction Trust Fund shall be made only after submission to, and approval from, the BPH of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

- (1) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;
- (2) 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;
- (3) Each of such costs has been otherwise properly incurred; and
- (4) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2008 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

## ARTICLE VII

### ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2008 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2008 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2008 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2008 A Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2008 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2008 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues. The payment of the debt service of the Series 2008 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System. The Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2008 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services of the facilities of the System shall be as set forth in the water rate ordinance duly enacted on August 6, 2007, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2008 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2008 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in

this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2008 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the BPH, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2008 A Bonds, immediately be remitted to the Commission for deposit in the Series 2008 A Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to immediately apply such proceeds to the payment of principal of and interest, if any, on the Series 2008 A Bonds. Any balance remaining after the payment of all the Series 2008 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution, duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, in writing, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and the Governing Body may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. 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 be deposited in the Renewal and Replacement Fund.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2008 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2008 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2008 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

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

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

Section 7.07. Parity Bonds. No additional Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2008 A Bonds pursuant to this Ordinance, without the prior written consent of the Authority and without complying with the conditions and requirements herein provided.

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

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

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12 consecutive month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which has expired (without successful appeal) prior to the issuance of such Parity Bonds.

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

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

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

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

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

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

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Issuer shall direct.

The Issuer shall file with the BPH and the Authority, or any other original purchaser of the Series 2008 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2008 A Bonds, requesting the same, an annual report containing the following:

- (A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.
- (C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally

required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto) and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2008 A Bonds and shall submit said report to the Authority and the BPH, or any other original purchaser of the Series 2008 A Bonds. Such audit report submitted to the Authority and the BPH 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 revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority and the BPH, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operation of the Project, the Issuer shall also provide the Authority and the BPH, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the BPH with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2008 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Recorder of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule or schedules of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System, (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2008 A Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2008 A Bonds; provided that, in the event that, an amount equal to or in excess of the Reserve Requirement is on deposit in the Series 2008 A Bonds Reserve Account and any reserve accounts for obligations on a parity with, or subordinate to, the Series 2008 A Bonds are funded at least at the requirement therefor, such sum need only equal 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2008 A Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Series 2008 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination of the Independent Certified Public Accountant that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

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

Commencing on the date contracts are executed for the acquisition and construction of the Project and for 2 years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the BPH by the 10th day of each month.

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

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority and the BPH 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 BPH, 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 shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the DWTRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the BPH in writing of such receipt.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the DWTRF Regulations, to the BPH when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all State and federal standards.

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of the System or the water system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the water system is not owned by the Issuer, the Issuer will, to the extent allowed by law, use diligent efforts to enter into a similar termination agreement with the provider of such water, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders thereof.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2008 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than \$1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than \$500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with

the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

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

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

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

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

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

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

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

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project and all orders and approvals from the West Virginia Public Service Commission and the West Virginia Bureau for Public Health necessary for the acquisition and construction of the Project and the operation of the System and all approvals for the issuance of the Series 2008 A Bonds required by State law, with all appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the BPH with copies of all documents submitted to the Authority. The Issuer agrees to comply with all applicable laws, rules and regulations issued by the Authority, the BPH or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2008 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2008 A Bonds.

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2008 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the BPH for written approval. The Issuer shall obtain the written approval of the BPH before expending any proceeds of the Series 2008 A Bonds held in "contingency" as set forth in the schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the BPH before expending any proceeds of the Series 2008 A Bonds made available due to bid or construction or project underruns.

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

## ARTICLE VIII

### INVESTMENT OF FUNDS

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

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

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

Section 8.02. Certificate as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2008 A Bonds as a condition to issuance of the Series 2008 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2008 A Bonds as may be necessary in order to maintain the status of the Series 2008 A Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2008 A Bonds which would cause any bonds, the interest, if any, on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the BPH, as the case may be, from which the proceeds of the Series 2008 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the BPH, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2008 A Bonds and any additional information requested by the Authority.

## ARTICLE IX

### DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an “Event of Default” with respect to the Series 2008 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2008 A Bonds; or

(2) If default occurs in the Issuer’s observance of any of the covenants, agreements or conditions on its respective part relating to the Series 2008 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2008 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of the Series 2008 A 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 System, (iii) bring suit upon the Series 2008 A 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 Series 2008 A Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2008 A Bonds, or the rights of such Registered Owners.

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

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the Series 2008 A Bonds, the principal of and interest due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Gross Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2008 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2008 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2008 A 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 2008 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2008 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2008 A Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2008 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest, if any, on the Series 2008 A Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this 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 2008 A Bonds.

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

Section 11.05. Conflicting Provisions. Notices. All notices to be sent to the Issuer, the Authority or the BPH shall be in writing and shall have been given when delivered in person or mailed by first class mail, postage prepaid, addressed as follows:

ISSUER:

City of Roncerverte  
200 West Main Street  
Roncerverte, West Virginia 24970

AUTHORITY:

West Virginia Water Development Authority  
180 Association Drive  
Charleston, West Virginia 25311-1571  
Attention: Director

BPH:

West Virginia Bureau for Public Health  
One Davis Square  
Charleston, West Virginia 25301  
Attention: Infrastructure and Capacity Development

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

Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Recorder and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the West Virginia Daily News, a newspaper published and of general circulation in the City of Ronceverte, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2008 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.09. Effective Date. This Ordinance shall take effect immediately following public hearing and final reading hereof.

Passed on First Reading: May 5, 2008

Passed on Second Reading: June 2, 2008

Passed on Final Reading  
Following Public Hearing: July 7, 2008



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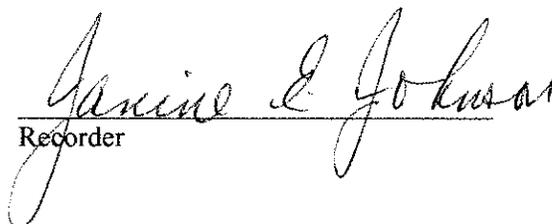
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF RONCEVERTE on the 7th day of July, 2008.

Dated: September 5, 2008.

[SEAL]

  
Recorder

07.08.08  
780310.00001



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA DWTRF PROGRAM), OF THE CITY OF RONCEVERTE; RATIFYING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the City of Ronceverte (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective July 7, 2008 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE PUBLIC WATERWORKS SYSTEM OF THE CITY OF RONCEVERTE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$2,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF

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

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

WHEREAS, the Bond Ordinance provides for the issuance of the Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), of the Issuer, in the aggregate principal amount not to exceed \$2,500,000 (the "Bonds" or the "Series 2008 A Bonds"), and has authorized the execution and delivery of a loan agreement relating to the Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau for Public Health (the "BPH"), all in accordance with Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, Section 2.01 of the Bond Ordinance shall be revised in its entirety to read as follows:

Section 2.01. Authorization of the 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 \$4,000,000, which will be paid from proceeds of the Series 2008 A Bonds, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2008 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project in an amount compatible with the financing plan submitted to the BPH and the Authority.

The cost of the project is estimated not to exceed \$4,000,000 of which not more than \$2,500,000 will be obtained from the

proceeds of the Series 2008 A Bonds, \$1,500,000 will be obtained from the proceeds of a Small Cities Block Grant and \$100,000 will be obtained from the proceeds of an Infrastructure Council Grant.

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

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

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and entered into by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates and the sale price of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RONCEVERTE:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$2,000,000. The Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2040, and shall bear no interest. The principal of the Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2010, to and including March 1, 2040, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Bonds shall be subject to redemption upon the written consent of the Authority and the BPH, and upon payment of a redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Bonds. The Administrative Fee of 1% shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year commencing June 1, 2010, as set forth the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

Section 2. The cost of the project is estimated not to exceed \$3,600,000 of which not more than \$2,000,000 will be obtained from the proceeds of the Series 2008 A Bonds, \$1,500,000 will be obtained from the proceeds of a Small Cities

Block Grant and \$100,000 from a grant from the West Virginia Infrastructure and Jobs Development Council.

Section 3. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 4. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the applications to the BPH and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 5. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar"), for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 6. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 7. The Issuer does hereby appoint and designate First National Bank, Ronceverte, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 8. Series 2008 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2008 A Bonds Sinking Fund, as capitalized interest.

Section 9. Series 2008 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2008 A Bonds Reserve Account.

Section 10. The balance of the proceeds of the Bonds shall be deposited in or credited to the Series 2008 A Bonds Construction Trust Fund as received from the BPH from time to time for payment of costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 11. The Mayor and the Recorder are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds hereby and by the Bond

Ordinance approved and provided for, to the end that the Bonds may be delivered on or about August 5, 2008, to the Authority pursuant to the Loan Agreement.

Section 12. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 14. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2008 A Bonds Sinking Fund, including the Series 2008 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

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

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Adopted this 28th day of July, 2008.

Handwritten signature of Gail White in cursive script.

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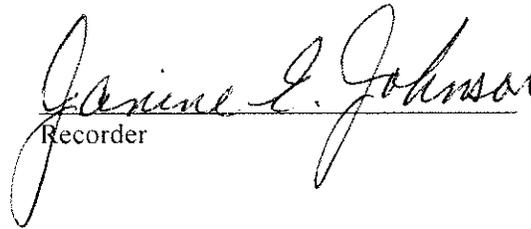
Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Ronceverte on the 28th day of July, 2008.

Dated: September 5, 2008.

[SEAL]

  
Recorder

09.02.08  
780310.00001

DWTRF  
(12/01/07)

LOAN AGREEMENT

THIS DRINKING WATER TREATMENT REVOLVING FUND LOAN AGREEMENT (the "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 under the direction of the WEST VIRGINIA BUREAU FOR PUBLIC HEALTH, a division of the West Virginia Department of Health and Human Resources (the "BPH"), and the local entity designated below (the "Local Entity").

CITY OF RONCEVERTE

WITNESSETH:

WHEREAS, the United States Congress under Section 1452 of the Safe Drinking Water Act, as amended (the "Safe Drinking Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining drinking water treatment revolving funds for the construction, acquisition and improvement of drinking water systems;

WHEREAS, pursuant to the provisions of Chapter 16, Article 13C of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a drinking water treatment revolving fund program (the "Program") to direct the distribution of loans to eligible Local Entities pursuant to the Safe Drinking Water Act;

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

WHEREAS, the Act establishes a permanent perpetual fund known as the "West Virginia Drinking Water Treatment Revolving Fund" (hereinafter the "Fund"),

which fund is to be administered and managed by the Authority under the direction of the BPH;

WHEREAS, pursuant to the Act, the Authority and BPH are empowered to make loans from the Fund to Local Entities for the acquisition or construction of drinking water projects by such Local Entities, all subject to such provisions and limitations as are contained in the Safe Drinking Water Act and the Act;

WHEREAS, the Local Entity constitutes a local entity as defined by the Act;

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

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

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

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

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Entity, BPH and the Authority hereby agree as follows:

## ARTICLE I

### Definitions

1.1 Except where the context clearly indicates otherwise, the terms “Authority,” “cost,” “fund,” “local entity,” and “project” have the definitions and meanings ascribed to them in the Act or in the DWTRF Regulations.

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

1.3 “Loan” means the loan to be made by the Authority and BPH to the Local Entity through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.4 “Local Act” means the official action of the Local Entity required by Section 4.1 hereof, authorizing the Local Bonds.

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

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

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

1.8 “Program” means the drinking water facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Safe Drinking Water Act and administered by BPH.

1.9 “Project” means the drinking water project hereinabove referred to, to be constructed or being constructed by the Local Entity in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Entity in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.10 “DWTRF Regulations” means the regulations set forth in the West Virginia Code of State Regulations.

{C1288741.1}

1.11 "System" means the drinking water system owned by the Local Entity, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

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

## ARTICLE II

### The Project and the System

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

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Local Entity, 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 BPH and the Authority.

2.4 The Local Entity agrees that the Authority and BPH and their respective duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Local Entity further agrees that the Authority and BPH and their respective duly authorized agents 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 BPH with respect to the System pursuant to the pertinent provisions of the Act.

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

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

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

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

2.9 The Local Entity shall provide and maintain competent and adequate engineering services satisfactory to the Authority and BPH 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, BPH and the Local Entity at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies. The Local Entity shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the DWTRF Regulations, to it within 60 days of the completion of the Project. The Local Entity shall notify BPH in writing of such receipt.

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

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

2.12 The Local Entity, 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 A and incorporated herein by reference, and forward a copy by the 10th of each month to BPH and the Authority.

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

## ARTICLE III

### Conditions to Loan; Issuance of Local Bonds

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

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

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

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

(d) The Local Entity shall either have received bids or entered into contracts for the construction of the Project, which are in an amount and otherwise compatible with the plan of financing described in the Application; provided, that, if the Loan will refund an interim construction financing, the Local Entity 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 BPH shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit C;

(e) The Local Entity 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 BPH shall have received a certificate of the Consulting Engineers to such effect;

(f) The Local Entity shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the West Virginia Infrastructure and Jobs Development Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and BPH shall have received an opinion of counsel to the Local Entity, which may be local counsel to the Local Entity,

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bond counsel or special PSC counsel but must be satisfactory to the Authority and BPH, to such effect;

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

(h) The Local Entity 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 BPH shall have received an opinion of counsel to the Local Entity, which may be local counsel to the Local Entity, bond counsel or special PSC counsel but must be satisfactory to the Authority and BPH, to such effect;

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

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

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the BPH, including the DWTRF Regulations, or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Local Entity and the Local Entity shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Local Entity shall sell to the Authority and the Authority shall make the Loan by purchasing the Local

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Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

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

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Entity 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, BPH and the Local Entity. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority.

3.5 The Local Entity understands and acknowledges that it is one of several local entities which have applied to the Authority and BPH for loans from the Fund to finance drinking water projects and that the obligation of the Authority to make any such loan is subject to the Local Entity's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the requirements of the Program. The Local Entity specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may purchase the bonds of other local entities set out in the State Project Priority List, as defined in the DWTRF Regulations. The Local Entity further specifically recognizes that all loans will be originated in conjunction with the DWTRF Regulations and with the prior approval of BPH or such later date as is agreed to in writing by the BPH.

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

## ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

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

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

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

Provided that if the Local Entity 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, as applicable, of the System as provided in the Local Act;

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

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

(iv) That, except as otherwise required by State law or the DWTRF Regulations, 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 from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of the System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Entity 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 BPH;

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

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

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

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

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

(xi) That the Local Entity shall annually, within six months of the end of the fiscal year, 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 BPH. If the Local Entity receives \$300,000 or more (in federal funds) in a fiscal year, the audit shall be obtained in accordance with the Single Audit Act (as amended from time to time) and the applicable OMB Circular (or any successor thereto). Financial statement audits are required once all funds have been received by the Local Entity. The audit 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 Local Entity's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Local Entity 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 BPH within 30 days of adoption thereof;

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

(xiv) That the proceeds of the Local Bonds, advanced from time to time, except for accrued interest and capitalized interest, if any, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Local Entity 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 funding of such Local Entity, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and BPH, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

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

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

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

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

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

(xx) That the Local Entity shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate its services to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore such services until all delinquent charges for the services of the System have been fully paid; and

(xxi) That the Local Entity shall submit all proposed change orders to the BPH for written approval. The Local Entity shall obtain the written approval of the BPH before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineer. The Local Entity shall obtain the written approval of the BPH before expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

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

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

4.3 At least five percent (5%) of the proceeds of the Local Bonds will be advanced on the Date of Loan Closing. The remaining proceeds of the Local Bonds shall be advanced by the Authority monthly as required by the Local Entity to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Entity, the BPH and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the DWTRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on

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Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

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

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

4.6 The obligation of the Authority to make any loans shall be conditioned upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to make the Loan.

## ARTICLE V

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

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

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Local Entity 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,

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fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

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

## ARTICLE VI

### Other Agreements of the Local Entity

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

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

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

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

6.5 Notwithstanding Section 6.4, the Authority and BPH may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the

Local Entity to be monitored or cause the rebate calculations for the Local Entity to be prepared, in either case at the expense of the Local Entity.

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

6.7 The Local Entity hereby agrees to file with the Authority and BPH 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 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Local Entity supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

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

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

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

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

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

7.7 This Loan Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Entity from either the Authority or BPH;

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

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

(iv) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Local Entity to the Authority or BPH.

In the event funds are not available to make all of the Loan, the responsibility of the Authority and BPH to make all the Loan is terminated; provided further that the obligation of the Local Entity to repay the outstanding amount of the Loan made by the Authority and BPH is not terminated due to such non-funding on any balance of the Loan. The BPH agrees to use its best efforts to have the amount contemplated under this Loan Agreement included in its budget. Non-funding of the Loan shall not be considered an event of default under this Loan Agreement.

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

CITY OF RONCEVERTE

(SEAL)

By: Gail White

Its: Mayor

Date: August 5, 2008

Attest:

Janine E. Johnson  
Its: Recorder

WEST VIRGINIA WATER  
DEVELOPMENT AUTHORITY

(SEAL)

By: [Signature]

Its: Executive Director

Date: August 5, 2008

Attest:

Barbara B Meadows  
Its: Secretary-Treasurer

000832/00520  
11/01/04

EXHIBIT A

MONTHLY FINANCIAL REPORT

Name of Local Entity \_\_\_\_\_  
 Name of Bond Issue(s) \_\_\_\_\_  
 Type of Project \_\_\_\_\_ Water \_\_\_\_\_ Wastewater \_\_\_\_\_  
 Fiscal Year \_\_\_\_\_ Report Month \_\_\_\_\_

| <u>Item</u>                              | <u>Current Month</u> | <u>Total Year To Date</u> | <u>Budget Year To Date</u> | <u>Budget Year To Date Minus Total Year To Date</u> |
|--|----------------------|---------------------------|----------------------------|---|
| 1. Gross Revenues                        | _____                | _____                     | _____                      | _____   |
| 2. Operating Expenses                    | _____                | _____                     | _____                      | _____   |
| 3. Bond Payments:                        |                      |                           |                            |   |
| <u>Type of Issue</u>                     |                      |                           |                            |   |
| 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 Local Entity 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 Local Entity 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 Local Entity.

**The Local Entity must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10<sup>th</sup> 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 B

PAYMENT REQUISITION FORM

EXHIBIT C

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 used herein and not defined herein shall have the same meaning set forth in the bond \_\_\_\_\_ adopted or enacted by the Issuer on \_\_\_\_\_, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH"), 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 BPH and any change orders approved by the Issuer, BPH and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least \_\_\_\_\_ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit

A, and my firm<sup>1</sup> 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 BPH 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<sup>2</sup>, the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by BPH; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
By: \_\_\_\_\_

West Virginia License No. \_\_\_\_\_

[SEAL]

\_\_\_\_\_  
<sup>1</sup>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".

<sup>2</sup>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 D

SPECIAL CONDITIONS

The Local Entity agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, groundbreaking or project dedication program documents and other documents describing projects or programs funded in whole or in part with federal money, (1) the percentage of the total costs of the program or project which will be financed with federal money, (2) the dollar amount of federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

EXHIBIT E

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 \_\_\_\_\_ on \_\_\_\_\_.  
[Local Entity] [Date]

Sinking Fund:

Interest \$ \_\_\_\_\_

Principal \$ \_\_\_\_\_

Total: \$ \_\_\_\_\_

Reserve Account: \$ \_\_\_\_\_

Witness my signature this \_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
[Name of Local Entity]

By: \_\_\_\_\_  
Authorized Officer

Enclosure: wire transfer form

EXHIBIT F

OPINION OF BOND COUNSEL FOR LOCAL ENTITY

[To Be Dated as of Date of Loan Closing]

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

West Virginia Bureau for Public Health  
One Davis Square, Suite 200  
Charleston, WV 25301-1798

Ladies and Gentlemen:

We are bond counsel to \_\_\_\_\_ (the "Local Entity"), a  
\_\_\_\_\_.

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

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

We have also examined the applicable provisions of \_\_\_\_\_ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond \_\_\_\_\_ duly adopted or enacted by the Local Entity on \_\_\_\_\_, as supplemented by the supplemental resolution duly adopted by the Local Entity 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

{C1288741.1}

Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

3. The Local Entity 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 Local Entity and constitute valid and binding obligations of the Local Entity, enforceable against the Local Entity 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 Local Entity to the Authority and are valid, legally enforceable and binding special obligations of the Local Entity, payable from the gross or net revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the gross or net 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 executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

|                                 |                    |
|---------------------------------|--------------------|
| Principal Amount of Local Bonds | <u>\$2,000,000</u> |
| Purchase Price of Local Bonds   | <u>\$2,000,000</u> |

The Local Bonds shall bear no interest. Commencing June 1, 2010, principal of the Local Bonds is payable quarterly, with an administrative fee of 1%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

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

None

\$2,000,000

DWTRF

SCHEDULE Y

City of Ronceverte

30 Years; 0% Interest Rate; 1% Admin Fee

Closing Date: September 5, 2008

### Debt Service Schedule

| Date       | Principal | Coupon | Total P+I |
|------------|-----------|--------|-----------|
| 09/01/2008 | -         | -      | -         |
| 12/01/2008 | -         | -      | -         |
| 03/01/2009 | -         | -      | -         |
| 06/01/2009 | -         | -      | -         |
| 09/01/2009 | -         | -      | -         |
| 12/01/2009 | -         | -      | -         |
| 03/01/2010 | -         | -      | -         |
| 06/01/2010 | 16,667.00 | -      | 16,667.00 |
| 09/01/2010 | 16,667.00 | -      | 16,667.00 |
| 12/01/2010 | 16,667.00 | -      | 16,667.00 |
| 03/01/2011 | 16,667.00 | -      | 16,667.00 |
| 06/01/2011 | 16,667.00 | -      | 16,667.00 |
| 09/01/2011 | 16,667.00 | -      | 16,667.00 |
| 12/01/2011 | 16,667.00 | -      | 16,667.00 |
| 03/01/2012 | 16,667.00 | -      | 16,667.00 |
| 06/01/2012 | 16,667.00 | -      | 16,667.00 |
| 09/01/2012 | 16,667.00 | -      | 16,667.00 |
| 12/01/2012 | 16,667.00 | -      | 16,667.00 |
| 03/01/2013 | 16,667.00 | -      | 16,667.00 |
| 06/01/2013 | 16,667.00 | -      | 16,667.00 |
| 09/01/2013 | 16,667.00 | -      | 16,667.00 |
| 12/01/2013 | 16,667.00 | -      | 16,667.00 |
| 03/01/2014 | 16,667.00 | -      | 16,667.00 |
| 06/01/2014 | 16,667.00 | -      | 16,667.00 |
| 09/01/2014 | 16,667.00 | -      | 16,667.00 |
| 12/01/2014 | 16,667.00 | -      | 16,667.00 |
| 03/01/2015 | 16,667.00 | -      | 16,667.00 |
| 06/01/2015 | 16,667.00 | -      | 16,667.00 |
| 09/01/2015 | 16,667.00 | -      | 16,667.00 |
| 12/01/2015 | 16,667.00 | -      | 16,667.00 |
| 03/01/2016 | 16,667.00 | -      | 16,667.00 |
| 06/01/2016 | 16,667.00 | -      | 16,667.00 |
| 09/01/2016 | 16,667.00 | -      | 16,667.00 |
| 12/01/2016 | 16,667.00 | -      | 16,667.00 |
| 03/01/2017 | 16,667.00 | -      | 16,667.00 |
| 06/01/2017 | 16,667.00 | -      | 16,667.00 |
| 09/01/2017 | 16,667.00 | -      | 16,667.00 |
| 12/01/2017 | 16,667.00 | -      | 16,667.00 |
| 03/01/2018 | 16,667.00 | -      | 16,667.00 |
| 06/01/2018 | 16,667.00 | -      | 16,667.00 |
| 09/01/2018 | 16,667.00 | -      | 16,667.00 |
| 12/01/2018 | 16,667.00 | -      | 16,667.00 |
| 03/01/2019 | 16,667.00 | -      | 16,667.00 |
| 06/01/2019 | 16,667.00 | -      | 16,667.00 |

DWTRF 7-15-08 | SINGLE PURPOSE | 7/15/2008 | 2:40 PM

\$2,000,000

SCHEDULE Y

City of Ronceverte

30 Years; 0% Interest Rate; 1% Admin Fee

Closing Date: September 5, 2008

Debt Service Schedule

| Date       | Principal | Coupon | Total P+I |
|------------|-----------|--------|-----------|
| 09/01/2019 | 16,667.00 | -      | 16,667.00 |
| 12/01/2019 | 16,667.00 | -      | 16,667.00 |
| 03/01/2020 | 16,667.00 | -      | 16,667.00 |
| 06/01/2020 | 16,667.00 | -      | 16,667.00 |
| 09/01/2020 | 16,667.00 | -      | 16,667.00 |
| 12/01/2020 | 16,667.00 | -      | 16,667.00 |
| 03/01/2021 | 16,667.00 | -      | 16,667.00 |
| 06/01/2021 | 16,667.00 | -      | 16,667.00 |
| 09/01/2021 | 16,667.00 | -      | 16,667.00 |
| 12/01/2021 | 16,667.00 | -      | 16,667.00 |
| 03/01/2022 | 16,667.00 | -      | 16,667.00 |
| 06/01/2022 | 16,667.00 | -      | 16,667.00 |
| 09/01/2022 | 16,667.00 | -      | 16,667.00 |
| 12/01/2022 | 16,667.00 | -      | 16,667.00 |
| 03/01/2023 | 16,667.00 | -      | 16,667.00 |
| 06/01/2023 | 16,667.00 | -      | 16,667.00 |
| 09/01/2023 | 16,667.00 | -      | 16,667.00 |
| 12/01/2023 | 16,667.00 | -      | 16,667.00 |
| 03/01/2024 | 16,667.00 | -      | 16,667.00 |
| 06/01/2024 | 16,667.00 | -      | 16,667.00 |
| 09/01/2024 | 16,667.00 | -      | 16,667.00 |
| 12/01/2024 | 16,667.00 | -      | 16,667.00 |
| 03/01/2025 | 16,667.00 | -      | 16,667.00 |
| 06/01/2025 | 16,667.00 | -      | 16,667.00 |
| 09/01/2025 | 16,667.00 | -      | 16,667.00 |
| 12/01/2025 | 16,667.00 | -      | 16,667.00 |
| 03/01/2026 | 16,667.00 | -      | 16,667.00 |
| 06/01/2026 | 16,667.00 | -      | 16,667.00 |
| 09/01/2026 | 16,667.00 | -      | 16,667.00 |
| 12/01/2026 | 16,667.00 | -      | 16,667.00 |
| 03/01/2027 | 16,667.00 | -      | 16,667.00 |
| 06/01/2027 | 16,667.00 | -      | 16,667.00 |
| 09/01/2027 | 16,667.00 | -      | 16,667.00 |
| 12/01/2027 | 16,667.00 | -      | 16,667.00 |
| 03/01/2028 | 16,667.00 | -      | 16,667.00 |
| 06/01/2028 | 16,667.00 | -      | 16,667.00 |
| 09/01/2028 | 16,667.00 | -      | 16,667.00 |
| 12/01/2028 | 16,667.00 | -      | 16,667.00 |
| 03/01/2029 | 16,667.00 | -      | 16,667.00 |
| 06/01/2029 | 16,667.00 | -      | 16,667.00 |
| 09/01/2029 | 16,667.00 | -      | 16,667.00 |
| 12/01/2029 | 16,667.00 | -      | 16,667.00 |
| 03/01/2030 | 16,667.00 | -      | 16,667.00 |
| 06/01/2030 | 16,666.00 | -      | 16,666.00 |

**\$2,000,000**

**SCHEDULE Y**

City of Ronceverte

30 Years; 0% Interest Rate; 1% Admin Fee

Closing Date: September 5, 2008

**Debt Service Schedule**

| <b>Date</b>  | <b>Principal</b>      | <b>Coupon</b> | <b>Total P+I</b>        |
|--------------|-----------------------|---------------|-------------------------|
| 09/01/2030   | 16,666.00             | -             | 16,666.00               |
| 12/01/2030   | 16,666.00             | -             | 16,666.00               |
| 03/01/2031   | 16,666.00             | -             | 16,666.00               |
| 06/01/2031   | 16,666.00             | -             | 16,666.00               |
| 09/01/2031   | 16,666.00             | -             | 16,666.00               |
| 12/01/2031   | 16,666.00             | -             | 16,666.00               |
| 03/01/2032   | 16,666.00             | -             | 16,666.00               |
| 06/01/2032   | 16,666.00             | -             | 16,666.00               |
| 09/01/2032   | 16,666.00             | -             | 16,666.00               |
| 12/01/2032   | 16,666.00             | -             | 16,666.00               |
| 03/01/2033   | 16,666.00             | -             | 16,666.00               |
| 06/01/2033   | 16,666.00             | -             | 16,666.00               |
| 09/01/2033   | 16,666.00             | -             | 16,666.00               |
| 12/01/2033   | 16,666.00             | -             | 16,666.00               |
| 03/01/2034   | 16,666.00             | -             | 16,666.00               |
| 06/01/2034   | 16,666.00             | -             | 16,666.00               |
| 09/01/2034   | 16,666.00             | -             | 16,666.00               |
| 12/01/2034   | 16,666.00             | -             | 16,666.00               |
| 03/01/2035   | 16,666.00             | -             | 16,666.00               |
| 06/01/2035   | 16,666.00             | -             | 16,666.00               |
| 09/01/2035   | 16,666.00             | -             | 16,666.00               |
| 12/01/2035   | 16,666.00             | -             | 16,666.00               |
| 03/01/2036   | 16,666.00             | -             | 16,666.00               |
| 06/01/2036   | 16,666.00             | -             | 16,666.00               |
| 09/01/2036   | 16,666.00             | -             | 16,666.00               |
| 12/01/2036   | 16,666.00             | -             | 16,666.00               |
| 03/01/2037   | 16,666.00             | -             | 16,666.00               |
| 06/01/2037   | 16,666.00             | -             | 16,666.00               |
| 09/01/2037   | 16,666.00             | -             | 16,666.00               |
| 12/01/2037   | 16,666.00             | -             | 16,666.00               |
| 03/01/2038   | 16,666.00             | -             | 16,666.00               |
| 06/01/2038   | 16,666.00             | -             | 16,666.00               |
| 09/01/2038   | 16,666.00             | -             | 16,666.00               |
| 12/01/2038   | 16,666.00             | -             | 16,666.00               |
| 03/01/2039   | 16,666.00             | -             | 16,666.00               |
| 06/01/2039   | 16,666.00             | -             | 16,666.00               |
| 09/01/2039   | 16,666.00             | -             | 16,666.00               |
| 12/01/2039   | 16,666.00             | -             | 16,666.00               |
| 03/01/2040   | 16,666.00             | -             | 16,666.00               |
| <b>Total</b> | <b>\$2,000,000.00</b> | <b>-</b>      | <b>\$2,000,000.00 *</b> |

\*Plus \$2,520.80 one-percent Administrative Fee paid quarterly. Total fee paid over life of loan is \$302,496.

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 29<sup>th</sup> day of August, 2008.

CASE NO. 07-1824-W-CN (Reopened)

CITY OF RONCEVERTE, a municipal utility, Greenbrier County  
Application for certificate of convenience and necessity to abandon municipal water treatment plant; rehabilitate and install water distribution lines; connect to water service system of the City of Lewisburg for provision of water; construct a new storage tank at Ronceverte; and furnish water service.

**COMMISSION ORDER**

With this Order, the Commission reopens this matter and approves the revisions to the budget of the City of Ronceverte's ("City") previously-approved water service project ("Project") to fund a bid overrun.

**BACKGROUND**

By Recommended Decision issued January 15, 2008, that became a final Commission Order on February 4, 2008, the Commission granted the City's above-described certificate application. The Commission's order was conditioned upon the City's receipt of all necessary federal, state and local permits and approvals for the proposed construction, and the City's subsequent filing of a Certificate of Substantial Completion for each contract associated with the project within 30 days of the issuance of each certificate. The Commission also approved the project's proposed financing, consisting of a Small Cities Block Grant in the amount of \$1,500,000 and a West Virginia Bureau of Public Health Drinking Water Treatment Revolving Fund Loan in the amount of \$2,000,000 with a zero percent (0%) interest rate for 30 years and an annual administrative fee of one percent (1%).

The Order required that in the event of any substantive changes in the project's plans, scope or financing, the City must petition the Commission to review and approve the changes prior to commencing construction. However, if the City's planned changes to project costs that would not affect rates, the Commission required it to file an affidavit signed by its accountant verifying that the City's rates and charges would not be affected by the change in cost.

On July 30, 2008, the City filed a petition to reopen this matter for certain changes in the plans and scope to the Project to fund a bid overrun. The Project will enable the City to rehabilitate and install water distribution lines, abandon the municipal water treatment plant, connect to the water system of the City of Lewisburg for the provision of water and to construct a new storage tank to furnish water service in Greenbrier County, West Virginia.

On June 12, 2008, the City opened bids with total base bids of \$2,662,500 for the Project's Contract No. 2 and \$425,700 for Contract No. 3. The total available project funds are \$2,799,879 in construction and contingency. The City proposes to fund the bid overrun by reducing Contract No. 2 by \$267,000 through the elimination of \$250,000 previously intended for the purchase of 1,000 water meters with radio read assembly, \$15,000 for a Vehicle Transceiver Unit for radio read meters with computer, and \$2,000 for a hand-held data collector for radio read meters. Finally, in an effort to avoid further increases in its water rates to help fund the Project, the City will obtain a \$100,000 grant from the West Virginia Infrastructure & Jobs Development Council ("WVIJDC"), for which the City already received a letter of commitment from the WVIJDC. (See Staff's August 20, 2008 Initial and Final Staff Memorandum).

Staff has stated that the City's revised project remains feasible, convenient and necessary. Staff recommends approval of the proposed cost reduction in the amount of \$267,000 to Contract No. 2 and the additional \$100,000 grant from the WVIJDC. (See Staff's August 20, 2008 Initial and Final Staff Memorandum).

The City has requested expedited treatment because the City's bids on this project are currently set to expire on September 9, 2009.

### **DISCUSSION**

In this case, the City is requesting the Commission's reopening of this matter for approval of further reductions in cost to the Project's budget and the City's obtaining in \$100,000 in grant money from the WVIJDC. Staff has stated that the City's revised project remains feasible, convenient and necessary, and recommends that the Commission approve the proposed reduction of \$267,000 to the cost of Contract No. 2 and the \$100,000 from the WVIJDC. (See Staff's August 20, 2008 Initial and Final Staff Memorandum). The Commission agrees that it is reasonable to approve these revisions to the Project's budget.

### **FINDINGS OF FACT**

1. Following the Commission's approval of the Project, the City petitioned the Commission to reopen this matter on July 30, 2008 for the Commission's approval of further revision to the Project's budget. (See City's Petition to Reopen).

2. The City has proposed reducing the Project's budget through the elimination of \$250,000 previously intended for the purchase of 1,000 water meters with radio read assembly, \$15,000 for a Vehicle Transceiver Unit for radio read meters with computer, and \$2,000 for a hand-held data collector for radio read meters. (See Staff's August 20, 2008 Initial and Final Staff Memorandum)

3. The City has received a commitment letter from the WVIJDC for a grant of \$100,000 that the City intends to accept in order to avoid further rate increases to help fund the Project. (See Id. and the WVIJDC's Letter of July 18, 2008.)

### CONCLUSIONS OF LAW

1. It is reasonable for the Commission to grant the City's request to reopen this matter to review revisions to the Project's budget.

2. It is reasonable for the Commission to approve the further revisions in the City's budget for the Project and its acceptance of a \$100,000 grant from the WVIJDC because Project bids exceeded previous estimates.

### ORDER

IT IS THEREFORE ORDERED that the City's petition to reopen this case for Commission consent and approval of further revisions to the Project's budget is granted.

IT IS FURTHER ORDERED that the City's further revisions to the Project's budget and the City's acceptance of a \$100,000 grant from the WVIJDC are approved.

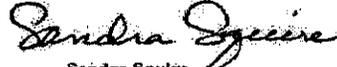
IT IS FURTHER ORDERED that if there further changes in the Project's plan or scope, as well as the terms of any financing other than grants or loans which affect rates, the City must seek the Commission's approval of such changes.

IT IS FURTHER ORDERED that all requirements of the Recommended Decision issued January 15, 2008, and final as of February 4, 2008, insofar as they do not conflict with this Order, remain in full force and effect.

IT IS FURTHER ORDERED that this proceeding is hereby removed from the Commission's docket of open cases.

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

A True Copy, Testes

  
Sandra Squira  
Executive Secretary

RWC:tt  
071824cb.wpd

**Jeffrey S. Feamster, CPA**

Jeffrey S. Feamster  
Certified Public Accountant  
P.O. Box 982  
Lewisburg, West Virginia 24901

Phone: (304) 647-5980  
Fax: (801) 640-8611  
Cellular: (304) 667-5990  
Email: jeff@mcsww.com

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

Case No.: 07-1824-W-CN

CITY OF RONCEVERTE

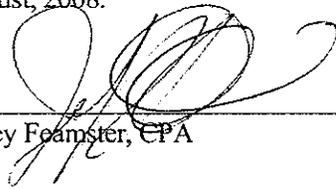
Application for a certificate of convenience and necessity to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water service system of the City of Lewisburg for the provision of water; construct a new storage tank at Ronceverte; and furnish water service.

STATE OF WEST VIRGINIA  
COUNTY OF GREENBRIER, TO-WIT:

AFFIDAVIT

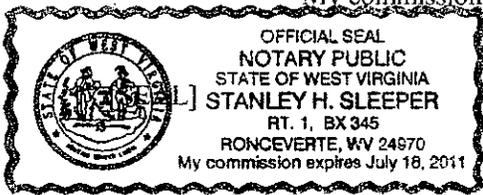
I, Jeffrey Feamster, CPA, after making an oath of affirmation to tell the truth, say that, I have reviewed the Recommended Decision of the Public Service Commission of West Virginia in Case No. 07-1824-W-CN dated January 15, 2008 and the proposed debt service for the Town of Ronceverte (the "Town") Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program) proposed to be issued in the aggregate principal amount of approximately \$2,000,000 at a 0% interest rate over 30 years with an administrative fee of 1% (the Bonds) and, based upon all the information that has been provided to me, to date, I am of the opinion that the rates and charges for Town (i) are not affected by the additional \$100,000 grant committed by the West Virginia Infrastructure & Jobs Development Council to the project to cover the costs of a bid overrun; and (ii) will be sufficient to provide revenues which, together with other revenues of the System, will allow me to provide the CPA certification required for the issuance of the Bonds.

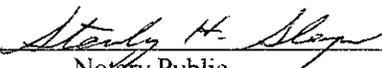
This Affidavit is executed on the 5th day of August, 2008.

  
\_\_\_\_\_  
Jeffrey Feamster, CPA

Taken, subscribed and sworn to before me this 5<sup>th</sup> day of August, 2008.

My commission expires July 18, 2011.



  
\_\_\_\_\_  
Notary Public

PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**FINAL**

2/4/2008

Entered: January 15, 2008

CASE NO. 07-1824-W-CN

## CITY OF RONCEVERTE

Application for certificate of convenience and necessity to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water service system of the City of Lewisburg for the provision of water; construct a new storage tank at Ronceverte; and furnish water service.

RECOMMENDED DECISION

On September 21, 2007, the City of Ronceverte (City) filed an application, duly verified, for a certificate of convenience and necessity to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water service system of the municipality of Lewisburg, West Virginia, for the provision of water; construct a new storage tank at Ronceverte; and furnish water service. The estimated cost of construction is \$3,500,000 and is to be financed by a Small Cities Block Grant in the amount of \$1,500,000 and a West Virginia Bureau of Public Health Drinking Water Treatment Revolving Fund Loan in the amount of \$2,000,000 with a zero percent (0%) interest rate for thirty (30) years and an annual administrative fee of one percent (1%). The City has proposed increased rates and charges which will produce approximately \$128,675 annually in additional revenue, an increase of 28%.

By Commission Order dated September 21, 2007, the City was required to give notice of the filing of its application by publishing a copy of the Order once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Greenbrier County, making due return to the Commission of proper certification of publication immediately after publication.

By Referral Order dated October 3, 2007, the proceeding was referred to the Division of Administrative Law Judges with a decision due date of on or before February 4, 2008, if there has been no public protest to the application within thirty (30) days after the required notice has been provided. If a public protest is received within thirty (30) days after the required notice has been provided, the Division of Administrative Law Judges was to render its decision on or before April 18, 2008.

On October 5, 2007, the City filed an Affidavit of Publication reflecting that on September 26, 2007, the Notice of Filing was published in The West Virginia Daily News, a newspaper duly qualified by the Secretary of State, published and of general circulation in Greenbrier

County. Additionally, the City filed a copy of the separate notice provided to customers.

On October 12, 2007, Staff filed its first set of data requests.

On October 12, 2007, Staff Attorney Ronald E. Robertson, Jr. filed the Initial Joint Staff Memorandum to which was attached the October 3, 2007 Initial Internal Memorandum prepared by James Spurlock, Technical Analyst II, Engineering Division, and Michael Quinlan, Utilities Analyst I, Water and Wastewater Division. Staff reported on information which was needed to complete the review of the filing and indicated that a final recommendation would be issued within the Commission's required time frame.

On October 22, 2007, the City filed its response to Staff's first data requests.

By Procedural Order dated December 6, 2007, the Final Joint Staff Memorandum was required to be filed on or before December 20, 2007.

On December 19, 2007, Staff Attorney Ronald E. Robertson, Jr. filed the Final Joint Staff Memorandum to which was attached the December 18, 2007 Final Internal Memorandum prepared by Mr. Spurlock and Mr. Quinlan. Staff reported that the project proposes to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water system of the City of Lewisburg for the provision of water; and construct a new storage tank to furnish water service to approximately 949 residential customers and 81 commercial customers. The project is estimated to cost \$3,500,000. The City determined that it would be more cost-effective to abandon its aged water treatment plant and connect to the City of Lewisburg's system. Upgrade of the City's distribution system is necessary to reduce the system's 37% unaccounted-for-water level. The 500,000-gallon water storage tank will replace an existing 30,000-gallon tank and address a lack of recommended storage capacity for the system. New meters will address the problem of water accountability. Staff opined that the \$2,752,000 construction cost for the project is reasonable. Staff also opined that the projected \$25,723 net increase in operation and maintenance costs is reasonable. Staff's review of the plans and specifications did not reveal any conflicts with the Commission's rules and regulations. Staff also reported that the State Office of Environmental Health Services had issued Permit No. 17,220 for the project.

Financial Staff reported that the project had been approved by the West Virginia Infrastructure and Jobs Development Council (WVIJDC) and was estimated to cost \$3,500,000. Proposed funding consists of a \$1,500,000 Small Cities Block Grant (SCBG) in the amount of \$1,500,000 and a Drinking Water Treatment Revolving Fund (DWTRF) loan in the amount of \$2,000,000 at zero percent (0%) interest for 30 years with a one percent (1%) annual administrative fee. The annual debt service payment for the DWTRF loan will be \$77,193 and a debt service reserve of ten percent (10%) of the annual debt payment will be \$7,719. A renewal and replacement reserve of two and one-half percent (2.5%) of annual operating revenue equals \$14,466. Commitment letters for the DWTRF loan and the SCGB grant were attached to the filing.

The City's Rule 42 Exhibit reflected that the City has proposed to increase rates 28% due to the project. Proposed annual revenues are projected to increase \$193,013. Annual operation and maintenance expenses are projected to increase \$25,723. Total debt service and reserve requirements are estimated to increase \$95,742 due to the project. Taxes are proposed to decrease \$12,610. Total cash flow surplus is projected to be approximately \$32,704 and debt service coverage will be 156.06%.

The Commission approved the City's purchased water agreement with the City of Lewisburg by Commission Order dated April 23, 2007, in Case No. 06-0035-W-PC.

The City's current rates were adopted by City Council on August 6, 2007, to become effective for service rendered on or after September 20, 2007. The ordinance, reviewed by the Commission's Legal Division, was properly passed. The City's further proposed rates (Step Two), which will become effective upon substantial completion of the project, are sufficient to offset the costs associated with the project. Staff attached a Staff-recommended tariff for the City to use as a basis for the increased rates (Step Two) and to bring the City's tariff language into compliance with the Commission's current Tariff Rules. Staff opined that the project is financially feasible and should be approved.

Staff recommended the following: (a) the City be granted a certificate of convenience and necessity to construct certain additions, improvements and extensions to its existing water system in Greenbrier County in the amount of \$3,500,000; (b) approval of funding of the project consisting of an SCBG grant in the amount of \$1,500,000 and a DWRTF loan in the amount of \$2,000,000 at 0% interest for 30 years and an annual 1.0% administrative fee; (c) the City adopt the Staff-recommended tariff in its next ordinance to bring the City's tariff language into compliance with the Commission's current Tariff Rules; (d) if there are any changes in the plans or scope of the project, the City must seek Commission approval of such changes; (e) if there are changes in rates to be charged associated with the project, the City must seek Commission approval of such changes; (f) if project costs or financing changes and project-related rates remain unchanged, the City should be required to file an affidavit executed by its certified public accountant verifying that its rates and charges are not affected; (g) the City provide a copy of the engineer's certified Bid Tabulation(s) for all contracts awarded for the project as soon as they become available; and (h) the City submit a copy of the Certificate of Substantial Completion issued for each construction contract associated with the project as soon as they become available.

By letter from the Commission's Executive Secretary dated December 19, 2007, the City was given ten (10) days to respond in writing to Staff's recommendations. The City was cautioned that failure to respond in writing to Staff's recommendations may result in a decision in the case based upon the original filing and the other documents in the case file, without further hearing or notice.

As of the date of this Order, no protests have been filed. Additionally, as of the date of this Order, the City has not filed a written response to Staff's final recommendations.

## FINDINGS OF FACT

1. On September 21, 2007, the City of Ronceverte filed an application for a certificate of convenience and necessity to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water service system of the municipality of Lewisburg, West Virginia, for the provision of water service; construct a new storage tank at Ronceverte; and furnish water service. (See, filing dated September 21, 2007; Final Joint Staff Memorandum with attachment filed December 19, 2007).

2. The total project cost is estimated to be \$3,500,000. (See, filing dated September 21, 2007; Final Joint Staff Memorandum with attachment filed December 19, 2007).

3. The City plans to finance the project with a Small Cities Block Grant in the amount of \$1,500,000 and a West Virginia Bureau of Public Health Drinking Water Treatment Revolving Fund Loan in the amount of \$2,000,000 with a zero percent (0%) interest rate for thirty (30) years and an annual administrative fee of one percent (1%). The funding has been committed. (See, filing dated September 21, 2007; Final Joint Staff Memorandum with attachment filed December 19, 2007).

4. The City has adopted a two-step water rate ordinance with the Step Two water rates to become effective upon substantial completion of the project. The Step Two water rates will be sufficient to fund the project based upon the project's estimated cost of \$3,500,000. (See, Final Joint Staff Memorandum with attachment filed December 19, 2007).

5. Abandoning the City's aged water treatment plant, constructed in 1925, and connecting to the City of Lewisburg's system is the most cost-effective means of providing clean, safe water to the City's customers. (See, Final Joint Staff Memorandum with attachment filed December 19, 2007).

6. The City's distribution system is old and deteriorated. The City's current system has a 37% unaccounted-for-water level. (See, Final Joint Staff Memorandum with attachment filed December 19, 2007).

7. A new 500,000-gallon water storage tank, which will replace a 30,000 gallon tank, will resolve the system's current lack of recommended storage capacity. New meters will assist with water accountability. (See, Final Joint Staff Memorandum with attachment filed December 19, 2007).

8. Staff recommends approval of the certificate. (See, Final Joint Staff Memorandum with attachment filed December 19, 2007).

9. The Office of Executive Secretary served the Staff recommendations upon the City, along with a letter in which the City was cautioned that failure to respond to Staff's recommendations may result in a decision in the case based on the original filing and the other documents in the case file without further notice or hearing. (See, filing dated December 19, 2007).

10. As of the date of this Order, the City has not filed a written response to the Final Joint Staff Memorandum. (See, case file generally).

11. No letters of protest have been filed in this proceeding. (See, case file generally).

#### CONCLUSIONS OF LAW

1. Public convenience and necessity require the project.
2. The proposed financing is reasonable and should be approved.
3. The City should be required to seek Commission approval should the project scope or proposed financing change for any reason.
4. The application should be granted contingent upon the City receiving all necessary federal, state and local permits and approvals for the proposed construction.

#### ORDER

IT IS, THEREFORE, ORDERED that the application filed by the City of Ronceverte, on September 21, 2007, for a certificate of convenience and necessity to abandon the municipal water treatment plant, rehabilitate and install water distribution lines, connect to the water service system of the City of Lewisburg for the provision of water, construct a new storage tank at Ronceverte, and furnish water service, be, and hereby is, granted. The certificate is contingent upon the City's receipt of all necessary federal, state and local permits and approvals for the proposed construction. Copies of these permits and approvals should be forwarded to the Commission upon the City's receipt of the documents. Construction should not begin until all necessary permits have been issued. The City shall also file a copy of the Certificate of Substantial Completion for each contract associated with the project within thirty (30) days of the issuance of each certificate.

IT IS FURTHER ORDERED that the proposed financing, consisting of a Small Cities Block Grant in the amount of \$1,500,000 and a West Virginia Bureau of Public Health Drinking Water Treatment Revolving Fund Loan in the amount of \$2,000,000 with a zero percent (0%) interest rate for thirty (30) years and an annual administrative fee of one percent (1%), is approved.

IT IS FURTHER ORDERED that, if there are any substantive changes in the project's plans, scope or financing, the City of Ronceverte petition the Commission to review and approve the changes prior to commencing construction.

IT IS FURTHER ORDERED that, if there are changes in the project cost which do not affect rates, the City of Ronceverte file an affidavit signed by its accountant verifying that the City's rates and charges are unaffected by the change in cost.

IT IS FURTHER ORDERED that the City of Ronceverte provide a copy of the engineer's certified tabulation of bids, within ten (10) days of the

bid opening date, for each construction contract or vendor bid contract to be awarded for the project.

IT IS FURTHER ORDERED that, if the project requires the use of Division of Highways' rights-of-way, the City of Ronceverte comply with all rules and regulations of the Division of Highways regarding the use of those rights-of-way.

IT IS FURTHER ORDERED that this proceeding be, and it 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.

*Deborah Yost VanDervort*  
Deborah Yost VanDervort  
Administrative Law Judge

DYV:s  
071824aa.wpd

The West Virginia Daily News  
P.O. Box 471  
Lewisburg, WV 24901  
PHONE: (304) 645-1206

PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

AFFIDAVIT OF PUBLICATION

Entered by the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 21st day of September 2007.

CASE NO. 07-1824-W-CN  
CITY OF RONCEVERTE  
Post Office Box 417  
Ronceverte, WV 24970

Application for Certificate of Convenience and Necessity to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water service system of the City of Lewisburg for the provision of water; and to construct a new storage tank at Ronceverte and furnish water service in Greenbrier County.

NOTICE OF FILING

WHEREAS, on September 21, 2007, the City of Ronceverte (City), filed an application, duly verified, for a certificate to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water service system of the City of Lewisburg for the provision of water; and to construct a new storage tank to furnish water service in Greenbrier County. The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, in Charleston, West Virginia.

WHEREAS, city estimates that construction will cost approximately \$3,500,000.00. It is proposed that the construction will be financed by a Small Cities Block Grant in the amount of \$1,500,000.00 and a West Virginia Bureau of Public Health Drinking Water Treatment Revolving Fund Loan in the amount of \$2,000,000.00.

WHEREAS, the city anticipates charging the following water rates for its customers:

STATE OF WEST VIRGINIA  
COUNTY OF  
GREENBRIER, TO WIT:

I, Louise Bassett,  
one of the editors of The West Virginia Daily News, a daily newspaper of general circulation published at Lewisburg, West Virginia, in the County of Greenbrier, State of West Virginia, do certify that publication of the advertisement or advertisements attached hereto was made in one (1) issues of said newspaper, dated

26 Sept. 2007  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

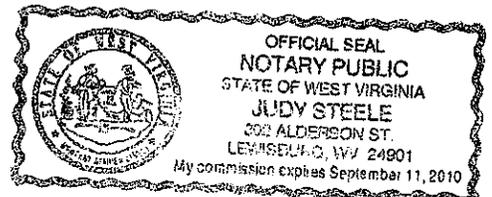
Given under my hand this the 26<sup>th</sup> day of Sept, 2007.  
Louise Bassett

Editor or Publisher

Subscribed and sworn to before me this 26<sup>th</sup> day of September 2007.

My commission expires Sept 11, 2010  
Judy Steele Notary Public.

Publication Fee: \$ 89.73



RECEIVED

2007 OCT 5 AM 11 00

W VA PUBLIC SERVICE  
COMMISSION  
SECRETARY'S OFFICE

RATE

First 1,000 gallons used per month.....  
.....\$13.98 per 1,000 gallons  
All over 1,000 gallons used per month....  
.....\$9.04 per 1,000 gallons

MINIMUM MONTHLY CHARGE

For 1,000 gallons is \$13.98 per month

DELAYED PAYMENT PENALTY

The above tariff is net. Any account not paid in full within twenty (20) days of the latest pay date, 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 only once for each bill where it is appropriate.

CONNECTION CHARGE

Prior to construction - \$500

After construction passes the premises to be served, charge for connection to the system - \$500

These rates represent the following project-related increases:

|                  | (\$) INCREASE | (%) INCREASE |
|------------------|---------------|--------------|
| Residential      | \$10.10       | 28%          |
| Commercial       | \$29.08       | 28%          |
| Public Authority | \$85.41       | 28%          |

The city does not have any resale customers.

The proposed increased rates and charges will produce approximately \$128,675.00 annually in additional revenue, an increase of 28%.

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing.

Pursuant to §24-2-11, West Virginia Code, IT IS ORDERED that the city of Ronceverte give notice of the filing of said application, by publishing a copy of this order once in a newspaper duly qualified by the Secretary of State, published and of general circulation in Greenbrier County, making due return to this commission of proper certification of publication immediately after publication. Anyone desiring to protest or intervene should file a written protest or notice of intervention within 30 days following the date of this publication unless otherwise modified by commission order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case, including any associated rate increases, or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or intervention. Requests to intervene must comply with the commission's rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323.

IT IS FURTHER ORDERED that if no protests are received within said thirty (30) day period, the commission may waive formal hearing and grant the application based on the evidence submitted with said application and its review thereof.

FOR THE COMMISSION:

Sandra Squire  
Executive Secretary

(26sp)



City of Ronceverte  
 P.O. Box 417  
 Ronceverte, WV 24970  
 (304)647-5455

| ACCOUNT                | CITY OF |               |
|------------------------|---------|---------------|
| PRIOR                  | 2319    | 8/14/2007     |
| CURRENT                | 2324    | 9/18/2007     |
| USED                   | 500     | MTR #91157341 |
| BAL FWD                |         | 37.61         |
| PAYMENTS/CREDITS       |         | 37.61         |
| Public Authority Sewer |         | 8.00          |
| Public Authority Water |         | 9.38          |
| Utility Tax            |         | .74           |
| Commercial Garbage     |         | 19.49         |

V #1733  
 001-700-6130

Service at: 300 MAIN STREET  
 Billing Period: 8/14/2007 to 9/18/2007

Bill Date: 9/30/2007  
 Amount now due 37.61  
 After 10/20/2007 41.30

KEEP THIS STUB FOR YOUR RECEIPT

Address  
 Correction  
 Requested

PRESORTED  
 FIRST CLASS MAIL  
 US POSTAGE PAID  
 RONCEVERTE, WV  
 24970-0417  
 PERMIT NO. 38

\*THIS UTILITY IS REGULATED BY THE PUBLIC SERVICE COMMISSION OF WEST VIRGINIA\*

This utility is seeking a rate increase.  
 Detail available in newspaper  
 publications or at the utility office after  
 September 20, 2007 by calling  
 647-5455.



*Rates are available on request*

Meter Reading Date: 9/18/2007  
 Account: 1462  
 Amount Now Due: 37.61  
 After 10/20/2007 41.30  
 RETURN THIS STUB WITH PAYMENT

CITY OF  
 RONCEVERTE/POLICE DEPT  
 P.O. BOX 417  
 RONCEVERTE, WV

RECEIVED  
 2007 OCT 5 AM 10 06  
 W VA PUBLIC SERVICE  
 COMMISSION  
 SECRETARY'S OFFICE

Public Service Commission  
Of West Virginia

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



Phone: (304) 340-0300  
FAX: (304) 340-0325

August 20, 2008

Perry W. Pauley Jr., Esq.  
Counsel, City of Ronceverte  
PO Box 453  
Ronceverte, WV 24970

RE: Case No. 07-1824-W-CN  
City of Ronceverte

Dear Mr. Pauley:

Pursuant to Rule 2 of the Commission's Rules of Practice and Procedure, enclosed is a copy of the Staff memorandum in this matter. If you wish to respond to the enclosed Staff memorandum, you may do so in writing, **within 10 days**, unless directed otherwise, of this date.

Your failure to respond in writing to the utility's answer, Staff's recommendations, or other documents may result in a decision in your case based on your original filing and the other documents in the case file, without further hearing or notice.

You have the ability to view documents as they are filed in this case if you have email. Please visit our web site at [www.psc.state.wv.us](http://www.psc.state.wv.us) and register with our email subscription system to receive customized daily activity information in this case. The public will not be given access to your email address. If you have provided an email address you will automatically receive docket notifications as documents are filed.

Most documents filed after December 1, 2005, regarding PSC Formal Cases, are now viewable in PDF format on our web site at [www.psc.state.wv.us](http://www.psc.state.wv.us).

Sincerely,

A handwritten signature in cursive script that reads "Sandra Squire".

Sandra Squire  
Executive Secretary

SS/cg  
Enclosure

**INITIAL AND FINAL JOINT STAFF MEMORANDUM**

**TO: SANDRA SQUIRE**  
Executive Secretary

**DATE: August 20, 2008**

**FROM: RONALD E. ROBERTSON, JR.** *RR*  
Staff Attorney

**SUBJECT: CASE NO. 07-1824-W-CN (PETITION TO REOPEN)**  
**CITY OF RONCEVERTE**

WEST VIRGINIA PUBLIC SERVICE  
COMMISSION  
SECRETARY'S OFFICE

08 AUG 20 PM 3:58

RECEIVED

On July 30, 2008, the City of Ronceverte (City) filed a petition to reopen its water certificate for Commission approval of the City's for certain changes in the plans and scope to the proposed project to fund a bid overrun. This previously-approved project will enable the City to abandon the municipal water treatment plant; rehabilitate and install water distribution lines; connect to the water system of the City of Lewisburg for the provision of water and to construct a new storage tank to furnish water service in Greenbrier County, West Virginia.

On June 12, 2008, the City opened bids with total base bids of \$2,662,500 for Contract #2 and \$425,700 for Contract #3. The total available project funds are \$2,799,879 in construction and contingency.

Attached is the internal memorandum of Jim Weimer, Engineer II, Engineering Division, and Michael Quinlan, Utility Analyst I, Water and Wastewater Division, that details the City's petition to address the bid overrun and represents the Technical Staff's initial and final recommendation. The Legal Division has also reviewed City's reopened case and concurs with the Technical Staff's initial and final recommendation.

Based upon our review, In Staff's opinion, the revised project filed by the City remains feasible, convenient and necessary. Therefore, Staff recommends approval of the revised costs reduction in the amount of \$267,000 to Contract #2 and the additional \$100,000 grant from the West Virginia Infrastructure Jobs and Development Council.

This case should be reopened and retained by the Commission. The City has also requested expedited treatment because the City's bids on this project are currently set to expire on September 9, 2009.

RER/s  
Attachment

CWS *CWS*

G:\Home\RR\ROBERTSON\2007 MEMOS\secondre071824.wpd

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA

INITIAL AND FINAL INTERNAL MEMORANDUM

DATE: August 19, 2008

TO: Ronald Robertson, Jr., Staff Attorney  
Legal Division

FROM: James Weimer, Engineer II *JW*  
Engineering Division

Michael Quinlan, Utilities Analyst I *MQ*  
Water and Wastewater Division

SUBJECT: Case No. 07-1824-W-CN (Reopened)  
City of Ronceverte  
Initial and Final Memo

RECEIVED  
AUG 20 2008  
LEGAL DIVISION  
PM 3:27

On July 30, 2008, the City of Ronceverte (City) filed a petition to reopen the above-referenced Case for certain changes in the plans and scope to the proposed project. The City opened bids on June 12, 2008, with total base bids of \$2,662,500 for Contract #2 and \$425,700 for Contract #3. The total available project funds are \$2,799,879 in construction and contingency. Counsel for the City has requested that a Final Commission Order be entered in this proceeding prior to September 1, 2008, because the bids expire on September 9, 2008.

The City is proposing to fund the overrun and issue Change Orders to reduce the contract within available funds as follows:

- 1) Reduce Contract #2 a total of \$267,000 by eliminating \$250,000 for the purchasing of 1,000 water meters with radio read assembly, \$15,000 for Vehicle Transceiver Unit (VXU) for radio read meters with computer and \$2,000 for a hand held data collector for radio read meters.
- 2) Request a \$100,000 IJDC grant to assist in the project since the City has already increased water rates 24% since June 30, 2007.

Staff has received and reviewed the revised plans, specifications, and engineering report for the modified project. The City also provided the following:

Ronald Robertson, Jr., Staff Attorney  
Re: Case No. 07-1824-W-CN (Reopened)  
August 19, 2008  
Page 2

- 1) Copy of a fax from Dunn Engineers stating that the removal of the meters from the contract will have no effect on the estimate for the operations and maintenance cost.
- 2) Affidavit from the City's CPA verifying that the additional \$100,000 grant committed by the West Virginia Infrastructure Jobs Development Council (WVIJDC) will not affect the rates and charges for the City.
- 3) Copy of the binding commitment letter from the WVIJDC dated July 18, 2008, for the additional \$100,000 grant for the project.
- 4) A letter indicating that sufficient funds are available in its water operating budget to fund the replacement of 150 new touch read meters annually and to repay its debt to the sewer fund at the repayment level recommended by Staff in Case 08-0177-S-MA.

In Staff's opinion, the revised project filed by the City remains feasible, convenient and necessary. Thus, Staff recommends approval of the City's petition to reopen its certificate case and the revised costs reduction in the amount of \$267,000 to Contract #2 and the additional \$100,000 grant from the WVIJDC. Furthermore, Staff recommends the Commission retain this case and issue an Order as expeditiously as possible.

JW:MQ/vlm

H:\vmiller\WordDocs\Quinlan, Michael\07-1824-W-CN reopenIntFin2 Ronceverte f.doc

2/17  
RJR  
SEML  
RJR



# West Virginia Infrastructure & Jobs Development Council

Public Members  
Kenneth Lowe, Jr.  
Shepherdstown  
Dwight Calhoun  
Peterson  
Dave McCracken  
Prichard  
Ron Justice  
Morgantown

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

Jefferson E. Brady, PE  
Executive Director

Jefferson.Brady@verizon.net

July 18, 2008

The Honorable T. Gail White  
Mayor, City of Ronceverte  
P.O. Box 417  
Ronceverte, West Virginia 24970

Re: City of Ronceverte  
Water Project 2000W-574

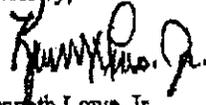
*Blaine is  
contacting  
Jeff today  
7/18/08  
AMK*

Dear Mayor White:

The West Virginia Infrastructure and Jobs Development Council, at its July 9, 2008 meeting, determined that the City of Ronceverte (the "City") should utilize a \$1,500,000 Small Cities Block Grant, a \$2,000,000 Drinking Water Treatment Revolving Fund loan and voted to offer a binding commitment for an Infrastructure Fund grant of \$100,000 to finance this \$3,600,000 project. This project consists of abandoning the existing water treatment plant and purchasing water from the City of Lewisburg.

In order to receive the proposed binding commitment the City must adhere to a certain project schedule. Please contact Jeff Brady at 558-4607 by August 29, 2008 to establish the necessary schedule and finalize the proposed binding commitment.

Sincerely,



Kenneth Lowe, Jr.

cc: Bob DeCrease, P.E., BPH  
Debbie Legg, WVDO  
Region IV Planning & Development Council  
Eric Hartwell, P.E., Dunn Engineers, Inc.

# West Virginia Infrastructure & Jobs Development Council

Public Members:  
Kenneth Lowe, Jr.  
Shepherdstown  
Dwight Calhoun  
Petersburg  
Dave McComas  
Prichard  
Ron Justice  
Morgantown

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

Jefferson E. Brady, PE  
Executive Director

Jefferson.Brady@verizon.net

October 5, 2007

The Honorable Gail White  
Mayor, City of Ronceverte  
P.O. Box 417  
Ronceverte, West Virginia 24970

Re: City of Ronceverte  
Water Project 2000W-574

Dear Mayor White:

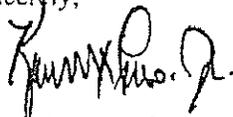
The West Virginia Infrastructure and Jobs Development Council (the "Council") has reviewed the City of Ronceverte's (the "City") revised preliminary application to abandon their existing water treatment plant and purchase water from the City of Lewisburg; install waterline, construct water storage tank, one pressure reducing valve station and one water booster station, repaint tanks, demolish four existing booster stations, add telemetry for all booster stations and water storage tanks, new water meters and all necessary valve and appurtenances (the "Project").

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

Upon consideration of the revised preliminary application, the Council determined that the City should utilize a \$2,000,000 Drinking Water Treatment Revolving Fund loan and a \$1,500,000 Small Cities Block Grant to fund this \$3,500,000 project.

If you have any questions regarding this matter, please contact Jeff Brady at 558-4607.

Sincerely,



Kenneth Lowe, Jr.

Enclosure

cc: Bob DeCrease, BPH (w/o enclosure)  
Debbie Legg, WVDO (w/o enclosure)  
Region IV Planning & Development Council  
Dunn Engineers, Inc.



STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
BUREAU FOR PUBLIC HEALTH  
OFFICE OF ENVIRONMENTAL HEALTH SERVICES

Joe Manchin III  
Governor

Martha Yeager Walker  
Secretary

July 2, 2007

The Honorable Gail White, Mayor  
City of Ronceverte  
P. O. Box 417  
Ronceverte, WV 24970

RE: Revised Binding Commitment Letter  
City of Ronceverte  
Project No. 2000W-574  
03DWTRF027  
Greenbrier County

Dear Mayor White:

The Bureau for Public Health (Bureau) provides this revised binding offer of a loan of approximately \$2,000,000 for the City of Ronceverte's proposed project that will rehabilitate the distribution system, abandon the treatment plant, connect to the City of Lewisburg's system, and construct a storage tank. This revised binding offer reflects the increased user rates resulting in the city's eligibility for a disadvantaged loan rate and term. The source of funds for the loan will be from the Drinking Water Treatment Revolving Fund (DWTRF) and SCBG. The DWTRF loan will be subject to the terms set forth on Schedule "A" attached hereto and incorporated herein by reference. The final loan amount and terms will be established after the City of Ronceverte has received bids for the project. The loan agreement will be between the City of Ronceverte and West Virginia Water Development Authority (Authority), who is the administrator of the DWTRF, acting on behalf of the Bureau for Public Health.

This loan commitment is also contingent upon the City of Ronceverte meeting the following:

- a. Submit all documentation necessary for a formal Certificate of Convenience and Necessity to the Public Service Commission by October 1, 2007.

---

Capitol and Washington Streets  
1 Davis Square, Suite 200  
Charleston, West Virginia 25301-1798  
Telephone: 304-558-2981

The Honorable Gail White  
July 2, 2007  
Page Two

If the City of Ronceverte becomes aware that it will not comply, they should immediately notify the Bureau of this fact and the circumstances which have caused this non-compliance. If you have any questions regarding this loan commitment, please contact me at 304-558-6749.

Very truly yours,



Robert W. DeCrease, P.E., Manager  
Infrastructure & Capacity Development  
Environmental Engineering Division

RWD:bs

Enclosures

pc: Fred Hypes, P.E., Dunn Engineers, Inc.  
Daniel "Bernie" Yonkosky, WDA  
Samme L. Gee, Esquire, Jackson & Kelly  
Tracy Rowen, Development Office  
WD Smith, Region IV P & DC  
OEHS Beckley District Office

**NOTE:** This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return to the Bureau for Public Health, Capitol & Washington Streets, 1 Davis Square, Suite 200, Charleston, WV 25301-1798.

City of Ronceverte

By: Gail White

Title: Mayor

Date: July 13 2007

**WEST VIRGINIA BUREAU FOR PUBLIC HEALTH**  
**Drinking Water Treatment Revolving Fund**  
**Binding Commitment**

**SCHEDULE A (Revised)**

July 2, 2007

**A. Project:**

City of Ronceverte  
Distribution System Upgrade and Connection to Lewisburg  
Greenbrier County  
IJDC No.: 2000W-574  
DWTRF No.: 03DWTRF027

**B. Drinking Water Treatment Revolving Fund:**

Loan: Approximate Amount: \$2,000,000  
Terms: 0% + 1% administrative fee  
Maturity Date: 30 years  
Special Conditions (if any): None

**C. Other Funding Sources:**

|                          |             |
|--------------------------|-------------|
| Small Cities Block Grant | \$1,500,000 |
| Project Total:           | \$3,500,000 |

**D. Proposed User Rates:**

Must exceed \$25.42 for 4,000 gallons (1.25% MHI)  
Expected rate: \$41.10 for 4,000 gallons



STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES

Joe Manchin III  
Governor

February 2, 2005

The Honorable Nancy A. Murdick, Mayor  
City of Ronceverte  
Post Office Box 417  
Ronceverte, West Virginia 24970

RE: Binding Commitment Letter  
City of Ronceverte  
Project No. 2000W-574  
03DWTRF027  
Greenbrier County

Dear Mayor Murdick:

The Bureau for Public Health (Bureau) provides this binding offer of a loan of approximately \$2,000,000 for the City of Ronceverte's proposed project that will rehabilitate the distribution system, abandon the treatment plant, connect to the City of Lewisburg's system, and construct a storage tank. The source of funds for the loan will be from the Drinking Water Treatment Revolving Fund (DWTRF) and SCBG. The loan will be subject to the terms set forth on Schedule "A" attached hereto and incorporated herein by reference. The final loan amount and terms will be established after the City of Ronceverte has received bids for the project. The loan agreement will be between the City of Ronceverte and West Virginia Water Development Authority (Authority), who is the administrator of the DWTRF, acting on behalf of the Bureau for Public Health.

This loan commitment is also contingent upon the City of Ronceverte meeting the following:

- a. Submit all documentation necessary for a formal Certificate of Convenience and Necessity to the Public Service Commission by September 15, 2005.

780310.00001

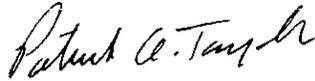
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**BUREAU FOR PUBLIC HEALTH**  
**OFFICE OF ENVIRONMENTAL HEALTH SERVICES**  
Capitol and Washington Streets  
1 Davis Square, Suite 200  
Charleston, West Virginia 25301-1798  
Telephone: (304) 558-2981 FAX: (304) 558-0691

The Honorable Nancy Murdick  
February 2, 2005  
Page Two

If the City of Ronceverte becomes aware that it will not comply, they should immediately notify the Bureau of this fact and the circumstances which have caused this non-compliance. If you have any questions regarding this loan commitment, please contact me at 304-558-6749.

Very truly yours,



Patrick A. Taylor, P.E., Manager  
Infrastructure & Capacity Development  
Environmental Engineering Division

PAT:snr

Enclosures

pc: Fred Hypes, P.E., Dunn Engineers, Inc.  
Daniel "Bernie" Yonkosky, WDA  
Samme L. Gee, Esquire, Jackson & Kelly  
Tracy Rowen, Development Office  
WD Smith, Region IV P & DC  
OEHS Beckley District Office

**NOTE:** This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return to the Bureau for Public Health, Capitol & Washington Streets, 1 Davis Square, Suite 200, Charleston, WV 25301-1798.

City of Ronceverte

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

**WEST VIRGINIA BUREAU FOR PUBLIC HEALTH**  
**Drinking Water Treatment Revolving Fund**  
**Binding Commitment**

**SCHEDULE A**

- A. Project February 2, 2005  
    City of Ronceverte  
    Distribution System Upgrade and Connection to Lewisburg  
    Greenbrier County  
    IJDC No.: 2000W-574  
    DWTRF No.: 03DWTRF027
- B. Drinking Water Treatment Revolving Fund  
    Loan: Approximate Amount: \$2,000,000  
    Terms: 2% + 1% administrative fee  
    Maturity Date: 20 years  
    Special Conditions (if any): None
- C. Other Funding Sources:  
    Small Cities Block Grant \$1,500,000
- Project Total: \$3,500,000
- D. Proposed User Rates: Average: \$28.68 per 4,500 gallons



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

On this 5th day of September, 2008, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of the City of Ronceverte (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the entire original issue of \$2,000,000 principal amount of the Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), of the Issuer (the "Bonds"), issued as a single, fully registered Bond, numbered AR-1, and dated September 5, 2008.
2. At the time of such receipt of the Bonds upon original issuance, the Bonds had been executed by the Mayor and the Recorder of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.
3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of the sum of \$50,000, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer by the Authority on behalf of the West Virginia Bureau for Public Health as acquisition and construction of the Project progresses.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first above written.

WEST VIRGINIA WATER DEVELOPMENT  
AUTHORITY

By: Barbara B Meadows  
Its: Authorized Representative

CITY OF RONCEVERTE

By: Gail White  
Its: Mayor



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,  
as Bond Registrar  
Charleston, West Virginia

Ladies and Gentlemen:

On this 5th day of September, 2008, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the City of Ronceverte Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), in the principal amount of \$2,000,000, dated September 5, 2008 (the "Bonds"), executed by the Mayor and the Recorder of the City of Ronceverte (the "Issuer"), and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on July 7, 2008, and a Supplemental Resolution duly adopted by the Issuer on July 28, 2008 (collectively, the "Bond Legislation");

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

(3) Executed counterparts of the loan agreement dated August 5, 2008 (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau for Public Health; and

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

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of \$50,000, representing a portion of the principal amount of the Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

[Remainder of Page Intentionally Left Blank]

Dated as of the date first written above.

CITY OF RONCEVERTE

By: Gail White  
Its: Mayor

07.09.08  
780310.00001

CH4915334.1



**SPECIMEN**

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
CITY OF RONCEVERTE  
WATER REVENUE BONDS, SERIES 2008 A  
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1

\$2,000,000

KNOW ALL MEN BY THESE PRESENTS: That on this 5th day of September, 2008, the CITY OF RONCEVERTE, a municipal corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of TWO MILLION DOLLARS (\$2,000,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2010 to and including March 1, 2040, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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 Administrative Fee (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year commencing March 1, 2010, as set forth on EXHIBIT B attached hereto.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), 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 BPH, dated August 5, 2008.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the waterworks portion of the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on July 7, 2008, and a Supplemental Resolution duly adopted by the Issuer on July 28, 2008

(collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THE ISSUER HAS NO BONDS OR OBLIGATIONS OTHER THAN THIS BOND WHICH IS SECURED BY GROSS REVENUES OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2008 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2008 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with, or subordinate to, the Bonds, provided however, that so long as there exists in the Series 2008 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with, or subordinate to, the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied

solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Gross Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF RONCEVERTE has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated as of the date first written above.

[SEAL]

**SPECIMEN**  
Mayor Sail White

ATTEST:

Janine L. Johnson  
Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2008 A 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: September 5, 2008.

THE HUNTINGTON NATIONAL BANK,  
as Registrar

  
Authorized Officer

**SPECIMEN**

EXHIBIT A

RECORD OF ADVANCES

| <u>AMOUNT</u> | <u>DATE</u>       | <u>AMOUNT</u> | <u>DATE</u> |
|---------------|-------------------|---------------|-------------|
| (1) \$50,000  | September 5, 2008 | (19)          |             |
| (2)           |                   | (20)          |             |
| (3)           |                   | (21)          |             |
| (4)           |                   | (22)          |             |
| (5)           |                   | (23)          |             |
| (6)           |                   | (24)          |             |
| (7)           |                   | (25)          |             |
| (8)           |                   | (26)          |             |
| (9)           |                   | (27)          |             |
| (10)          |                   | (28)          |             |
| (11)          |                   | (29)          |             |
| (12)          |                   | (30)          |             |
| (13)          |                   | (31)          |             |
| (14)          |                   | (32)          |             |
| (15)          |                   | (33)          |             |
| (16)          |                   | (34)          |             |
| (17)          |                   | (35)          |             |
| (18)          |                   | (36)          |             |

TOTAL \$ \_\_\_\_\_

EXHIBIT B

DEBT SERVICE SCHEDULE

\$2,000,000

DWTRF

City of Ronceverte

30 Years; 0% Interest Rate; 1% Admin Fee

Closing Date: September 5, 2008

## Debt Service Schedule

| Date       | Principal | Coupon | Total P+I |
|------------|-----------|--------|-----------|
| 09/01/2008 | -         | -      | -         |
| 12/01/2008 | -         | -      | -         |
| 03/01/2009 | -         | -      | -         |
| 06/01/2009 | -         | -      | -         |
| 09/01/2009 | -         | -      | -         |
| 12/01/2009 | -         | -      | -         |
| 03/01/2010 | -         | -      | -         |
| 06/01/2010 | 16,667.00 | -      | 16,667.00 |
| 09/01/2010 | 16,667.00 | -      | 16,667.00 |
| 12/01/2010 | 16,667.00 | -      | 16,667.00 |
| 03/01/2011 | 16,667.00 | -      | 16,667.00 |
| 06/01/2011 | 16,667.00 | -      | 16,667.00 |
| 09/01/2011 | 16,667.00 | -      | 16,667.00 |
| 12/01/2011 | 16,667.00 | -      | 16,667.00 |
| 03/01/2012 | 16,667.00 | -      | 16,667.00 |
| 06/01/2012 | 16,667.00 | -      | 16,667.00 |
| 09/01/2012 | 16,667.00 | -      | 16,667.00 |
| 12/01/2012 | 16,667.00 | -      | 16,667.00 |
| 03/01/2013 | 16,667.00 | -      | 16,667.00 |
| 06/01/2013 | 16,667.00 | -      | 16,667.00 |
| 09/01/2013 | 16,667.00 | -      | 16,667.00 |
| 12/01/2013 | 16,667.00 | -      | 16,667.00 |
| 03/01/2014 | 16,667.00 | -      | 16,667.00 |
| 06/01/2014 | 16,667.00 | -      | 16,667.00 |
| 09/01/2014 | 16,667.00 | -      | 16,667.00 |
| 12/01/2014 | 16,667.00 | -      | 16,667.00 |
| 03/01/2015 | 16,667.00 | -      | 16,667.00 |
| 06/01/2015 | 16,667.00 | -      | 16,667.00 |
| 09/01/2015 | 16,667.00 | -      | 16,667.00 |
| 12/01/2015 | 16,667.00 | -      | 16,667.00 |
| 03/01/2016 | 16,667.00 | -      | 16,667.00 |
| 06/01/2016 | 16,667.00 | -      | 16,667.00 |
| 09/01/2016 | 16,667.00 | -      | 16,667.00 |
| 12/01/2016 | 16,667.00 | -      | 16,667.00 |
| 03/01/2017 | 16,667.00 | -      | 16,667.00 |
| 06/01/2017 | 16,667.00 | -      | 16,667.00 |
| 09/01/2017 | 16,667.00 | -      | 16,667.00 |
| 12/01/2017 | 16,667.00 | -      | 16,667.00 |
| 03/01/2018 | 16,667.00 | -      | 16,667.00 |
| 06/01/2018 | 16,667.00 | -      | 16,667.00 |
| 09/01/2018 | 16,667.00 | -      | 16,667.00 |
| 12/01/2018 | 16,667.00 | -      | 16,667.00 |
| 03/01/2019 | 16,667.00 | -      | 16,667.00 |
| 06/01/2019 | 16,667.00 | -      | 16,667.00 |

DWTRF 7-15-08 | SINGLE PURPOSE | 7/15/2008 | 2:40 PM

\$2,000,000

City of Ronceverte

30 Years; 0% Interest Rate; 1% Admin Fee

Closing Date: September 5, 2008

## Debt Service Schedule

| Date       | Principal | Coupon | Total P+  |
|------------|-----------|--------|-----------|
| 09/01/2019 | 16,667.00 | -      | 16,667.00 |
| 12/01/2019 | 16,667.00 | -      | 16,667.00 |
| 03/01/2020 | 16,667.00 | -      | 16,667.00 |
| 06/01/2020 | 16,667.00 | -      | 16,667.00 |
| 09/01/2020 | 16,667.00 | -      | 16,667.00 |
| 12/01/2020 | 16,667.00 | -      | 16,667.00 |
| 03/01/2021 | 16,667.00 | -      | 16,667.00 |
| 06/01/2021 | 16,667.00 | -      | 16,667.00 |
| 09/01/2021 | 16,667.00 | -      | 16,667.00 |
| 12/01/2021 | 16,667.00 | -      | 16,667.00 |
| 03/01/2022 | 16,667.00 | -      | 16,667.00 |
| 06/01/2022 | 16,667.00 | -      | 16,667.00 |
| 09/01/2022 | 16,667.00 | -      | 16,667.00 |
| 12/01/2022 | 16,667.00 | -      | 16,667.00 |
| 03/01/2023 | 16,667.00 | -      | 16,667.00 |
| 06/01/2023 | 16,667.00 | -      | 16,667.00 |
| 09/01/2023 | 16,667.00 | -      | 16,667.00 |
| 12/01/2023 | 16,667.00 | -      | 16,667.00 |
| 03/01/2024 | 16,667.00 | -      | 16,667.00 |
| 06/01/2024 | 16,667.00 | -      | 16,667.00 |
| 09/01/2024 | 16,667.00 | -      | 16,667.00 |
| 12/01/2024 | 16,667.00 | -      | 16,667.00 |
| 03/01/2025 | 16,667.00 | -      | 16,667.00 |
| 06/01/2025 | 16,667.00 | -      | 16,667.00 |
| 09/01/2025 | 16,667.00 | -      | 16,667.00 |
| 12/01/2025 | 16,667.00 | -      | 16,667.00 |
| 03/01/2026 | 16,667.00 | -      | 16,667.00 |
| 06/01/2026 | 16,667.00 | -      | 16,667.00 |
| 09/01/2026 | 16,667.00 | -      | 16,667.00 |
| 12/01/2026 | 16,667.00 | -      | 16,667.00 |
| 03/01/2027 | 16,667.00 | -      | 16,667.00 |
| 06/01/2027 | 16,667.00 | -      | 16,667.00 |
| 09/01/2027 | 16,667.00 | -      | 16,667.00 |
| 12/01/2027 | 16,667.00 | -      | 16,667.00 |
| 03/01/2028 | 16,667.00 | -      | 16,667.00 |
| 06/01/2028 | 16,667.00 | -      | 16,667.00 |
| 09/01/2028 | 16,667.00 | -      | 16,667.00 |
| 12/01/2028 | 16,667.00 | -      | 16,667.00 |
| 03/01/2029 | 16,667.00 | -      | 16,667.00 |
| 06/01/2029 | 16,667.00 | -      | 16,667.00 |
| 09/01/2029 | 16,667.00 | -      | 16,667.00 |
| 12/01/2029 | 16,667.00 | -      | 16,667.00 |
| 03/01/2030 | 16,667.00 | -      | 16,667.00 |
| 06/01/2030 | 16,666.00 | -      | 16,666.00 |

**\$2,000,000**

City of Ronceverte

30 Years; 0% Interest Rate; 1% Admin Fee

Closing Date: September 5, 2008

## Debt Service Schedule

| Date         | Principal             | Coupon | Total P+I               |
|--------------|-----------------------|--------|-------------------------|
| 09/01/2030   | 16,666.00             | -      | 16,666.00               |
| 12/01/2030   | 16,666.00             | -      | 16,666.00               |
| 03/01/2031   | 16,666.00             | -      | 16,666.00               |
| 06/01/2031   | 16,666.00             | -      | 16,666.00               |
| 09/01/2031   | 16,666.00             | -      | 16,666.00               |
| 12/01/2031   | 16,666.00             | -      | 16,666.00               |
| 03/01/2032   | 16,666.00             | -      | 16,666.00               |
| 06/01/2032   | 16,666.00             | -      | 16,666.00               |
| 09/01/2032   | 16,666.00             | -      | 16,666.00               |
| 12/01/2032   | 16,666.00             | -      | 16,666.00               |
| 03/01/2033   | 16,666.00             | -      | 16,666.00               |
| 06/01/2033   | 16,666.00             | -      | 16,666.00               |
| 09/01/2033   | 16,666.00             | -      | 16,666.00               |
| 12/01/2033   | 16,666.00             | -      | 16,666.00               |
| 03/01/2034   | 16,666.00             | -      | 16,666.00               |
| 06/01/2034   | 16,666.00             | -      | 16,666.00               |
| 09/01/2034   | 16,666.00             | -      | 16,666.00               |
| 12/01/2034   | 16,666.00             | -      | 16,666.00               |
| 03/01/2035   | 16,666.00             | -      | 16,666.00               |
| 06/01/2035   | 16,666.00             | -      | 16,666.00               |
| 09/01/2035   | 16,666.00             | -      | 16,666.00               |
| 12/01/2035   | 16,666.00             | -      | 16,666.00               |
| 03/01/2036   | 16,666.00             | -      | 16,666.00               |
| 06/01/2036   | 16,666.00             | -      | 16,666.00               |
| 09/01/2036   | 16,666.00             | -      | 16,666.00               |
| 12/01/2036   | 16,666.00             | -      | 16,666.00               |
| 03/01/2037   | 16,666.00             | -      | 16,666.00               |
| 06/01/2037   | 16,666.00             | -      | 16,666.00               |
| 09/01/2037   | 16,666.00             | -      | 16,666.00               |
| 12/01/2037   | 16,666.00             | -      | 16,666.00               |
| 03/01/2038   | 16,666.00             | -      | 16,666.00               |
| 06/01/2038   | 16,666.00             | -      | 16,666.00               |
| 09/01/2038   | 16,666.00             | -      | 16,666.00               |
| 12/01/2038   | 16,666.00             | -      | 16,666.00               |
| 03/01/2039   | 16,666.00             | -      | 16,666.00               |
| 06/01/2039   | 16,666.00             | -      | 16,666.00               |
| 09/01/2039   | 16,666.00             | -      | 16,666.00               |
| 12/01/2039   | 16,666.00             | -      | 16,666.00               |
| 03/01/2040   | 16,666.00             | -      | 16,666.00               |
| <b>Total</b> | <b>\$2,000,000.00</b> | -      | <b>\$2,000,000.00 *</b> |

\*Plus \$2,520.80 one-percent Administrative Fee paid quarterly. Total fee paid over life of loan is \$302,496.

(Form of)

ASSIGNMENT

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

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

\_\_\_\_\_

In the presence of:

\_\_\_\_\_





Chase Tower, Eighth Floor  
P.O. Box 1588  
Charleston, WV 25326-1588  
(304) 353-8000 (304) 353-8180 Fax  
www.steptoe-johnson.com

Writer's Contact Information

September 5, 2008

City of Ronceverte  
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

City of Ronceverte  
Ronceverte, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

West Virginia Bureau for Public Health  
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Ronceverte (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its \$2,000,000 Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated August 5, 2008, 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 Bureau for Public Health (the "BPH"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal 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 June 1, 2010, to and including March 1, 2040, all as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Administrative Fee of 1% shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year commencing June 1, 2010, as set forth 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 8, Article 19 and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain extensions, additions,

betterments and improvements to the waterworks portion of the existing public waterworks system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on July 7, 2008, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 28, 2008 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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 municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to enact the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Gross revenues of the System and secured by a first lien on and pledge of the Gross Revenues all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from gross income 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.

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



STEPH & JOHNSON PLLC

PERRY W. PAULEY  
Attorney at Law  
P.O. Box 453  
Ronceverte, West Virginia 24970  
(304) 772-5645  
State Bar 6648

September 5, 2008

City of Ronceverte  
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

City of Ronceverte  
Ronceverte, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

West Virginia Bureau for Public Health  
Charleston, West Virginia

Steptoe & Johnson PLLC  
Charleston, West Virginia

Ladies and Gentlemen:

I am counsel to the City of Ronceverte in Greenbrier County, West Virginia (the "Issuer"), in connection with the above-captioned bond issue. As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, a loan agreement dated August 5, 2008, 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 Bureau for Public Health (the "BPH"), a Bond Ordinance duly enacted by the Issuer on July 7, 2008, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 28, 2008 (collectively, the "Bond Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia, and the Mayor, Recorder and members of the council of the Issuer have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities.

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

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

4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

5. The Issuer has received all permits, licenses, approvals, exemptions, consents, registrations, certificates and authorizations required by law for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the West Virginia Bureau for Public Health, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance dated August 6, 2007 prescribing such rates and charges. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal.

6. The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia in Case No. 07-1824-W-CN entered on January 15, 2008, which became Final Order on February 4, 2008, and the Commission Order dated August 29, 2008, following the reopening of the case, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has expired prior to the date hereof without appeal. The time for appeal of the Commission Order has not expired prior to the date hereof. However, the parties to such Commission Order have stated that they do not intend to appeal such Order. Such Orders are in full force and effect.

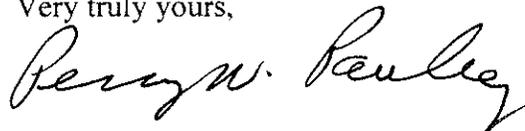
7. To the best of my knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect

the transactions contemplated by the Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Gross Revenues therefor.

8. All successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon my review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, I am of the opinion that such surety bonds and policies (i) are in compliance with the contracts; (ii) are adequate in form, substance and amount to protect the various interests of the Issuer; (iii) have been executed by duly authorized representatives of the proper parties; (iv) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (v) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,

A handwritten signature in cursive script that reads "Perry W. Pauley". The signature is written in black ink and is positioned above the printed name.

PERRY W. PAULEY, ESQUIRE



**PERRY W. PAULEY**

**Attorney at Law**  
State Bar #6648  
P.O. Box 453  
Ronceverte,  
West Virginia 24970

(304) 772-5645

**AMENDED FINAL TITLE OPINION**

**WATER/WASTEWATER PROJECTS**  
**INFRASTRUCTURE FUND FINANCING**

September 5, 2008

Gail White, Mayor  
Town of Ronceverte, West Virginia  
P. O. Box 417  
300 Main Street  
Ronceverte, WV 24970

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

Bureau of Public Health  
1 Davis Square, Suite 2D  
Charleston, WV 25301

**Re: Amended Final Title Opinion for Ronceverte Municipal Corporation Project #04SCBG0056X, Amending my July 26, 2008, Final Title Opinion with strike-throughs and underlining as follows:**

Dear Sir/Madam:

I am counsel to the Town of Ronceverte (the "Issuer") in connection with a proposed project which includes: Abandonment of the municipal water treatment plant; rehabilitation, extension and installation of water distribution lines; connection to the water service system of the municipality of Lewisburg, West Virginia, for the provision of water; construction of a new storage tank at Ronceverte; and furnishing water service (the "Project"). I provide this final title opinion on behalf of the Issuer to satisfy the requirements of the West Virginia Drinking Water Treatment Revolving Fund for the West Virginia Bureau for Public Health (the "BPH") for the Project. Please be advised of the following:

1. I am of the opinion that the Issuer is a duly created and validly existing Municipal Corporation with all the powers and authority granted to municipalities under the State of West Virginia to construct, operate and maintain the Project as approved by the BPH.

2. The Issuer has obtained all necessary permits and approvals for the construction of the Project.

3. I have investigated and ascertained the location of, and am familiar with the legal description of, the necessary sites, including easements and/or rights of way, required for the Project as set forth in the plans for the Project prepared by Dunn Engineers, 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 Greenbrier County, West Virginia, the county in which the Project is to be located, and, in my opinion, the Issuer 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 the right of way 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.

5. On July 16, 2008, the Issuer obtained an order signed by the Honorable Joseph Pomponio, Judge of the Circuit Court of Greenbrier County, West Virginia granting the Issuer a right-of-entry for the purpose of construction, operation and maintenance of the Project on the below listed property. 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 my certification is subject to the following pending condemnation litigation:

**TOWN OF RONCEVERTE WEST VIRGINIA,  
A West Virginia Municipal Corporation**

Plaintiff/Petitioner,

v.

**Civil Action Number 08-C- 170(O)**

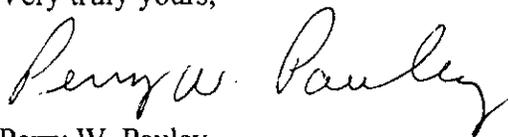
**SHRINERS HOSPITALS FOR CHILDREN, et al.**

Defendants/Respondents

| <b>Name</b>  | <b>Tax Map</b> | <b>Parcel</b> |
|--|----------------|---------------|
| Dawkins Lane   | Not on Tax Map |               |
| John R. Dawkins Estate   |                |               |
| Estate Closed  |                |               |
| Interests are in Hollowell Foundation and Shriners Hospitals for Children. |                |               |

6. All deeds, easements and rights of way which have been acquired to date by the Issuer have been duly recorded in the Office of the Clerk of the County Commission of Greenbrier County to protect the legal title to and interest of the Issuer.

Very truly yours,

A handwritten signature in black ink that reads "Perry W. Pauley". The signature is written in a cursive style with a large, prominent initial "P".

Perry W. Pauley  
WV State Bar ID No. 6648  
P.O. Box 453  
Ronceverte, WV 24970  
(304) 772-5645

cc: Blaine Oborn



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

On this 5th day of September, 2008, we, the undersigned MAYOR and RECORDER of the City of Ronceverte in Greenbrier County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify in connection with the City of Ronceverte Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), dated the date hereof (the "Bonds" or the "Series 2008 A Bonds"), as follows:

1. **TERMS:** All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as in the Bond Ordinance of the Issuer duly enacted July 7, 2008, and the Supplemental Resolution duly adopted July 28, 2008 (collectively, the "Bond Legislation").

2. **NO LITIGATION:** No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation of the System, the receipt of the Gross

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

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System and the issuance of the Bonds have been obtained and remain in full force and effect, and competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the loan agreement (the "Loan Agreement") entered into by and among the Issuer, the Authority and the West Virginia Bureau for Public Health. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete and operate the Project.

On the Closing Date there will be no outstanding obligations of the Issuer which will rank on a parity with the Series 2008 A Bonds as to liens, pledge, source of and security for payment.

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

Bond Ordinance

Supplemental Resolution

Loan Agreement

Public Service Commission Orders

Infrastructure Council Approval

Charter and Rules of Procedure

Oaths of Office of Officers and Councilmembers

Water Rate Ordinance

Minutes on Adoption and Enactment of Rate Ordinance

Affidavits of Publication of Rate Ordinance and Notice of Public Hearing

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

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

Evidence of Insurance

Bureau for Public Health Permit

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

| <u>Name</u>           | <u>Date of Commencement of Office</u> | <u>Date of Termination of Office</u> |
|-----------------------|---------------------------------------|--------------------------------------|
| T. Gail White, Mayor  | July 1, 2005                          | June 30, 2009                        |
| Jan Johnson, Recorder | July 1, 2005                          | June 30, 2009                        |
| Robert Baker          | July 1, 2005                          | June 30, 2009                        |
| Christi Boothe        | July 1, 2005                          | June 30, 2009                        |
| Barbara Morgan        | July 1, 2005                          | June 30, 2009                        |
| Michael Palm          | July 1, 2007                          | June 30, 2013                        |
| David Smith           | July 1, 2007                          | June 30, 2013                        |

The duly appointed and acting Counsel to the Issuer is Perry Pauley, Esquire, of Ronceverte, West Virginia.

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

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

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

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

11. RATES: The Issuer has duly enacted a water rate ordinance August 6, 2007, setting forth the respective rates and charges for the services of the water portion of the System. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal, and such rate ordinance is currently in effect.

12. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, dated the date hereof, by her manual signature, and the undersigned Recorder did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by her manual signature, and 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 Agreement. Said official seal of the Issuer is also impressed above the signatures appearing on this certificate.

13. BOND PROCEEDS: On the date hereof, the Issuer received \$50,000 from the Authority and the BPH, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for

2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the West Virginia Daily News, a newspaper published and of general circulation in the City of Ronceverte, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of the Governing Body on the 7th day of July, 2008, at 7:00 p.m., at the City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

15. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia in Case No. 07-1824-W-CN entered on January 15, 2008, which became Final Order on February 4, 2008, and the Commission Order dated August 29, 2008, following the reopening of the case, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has expired prior to the date hereof without appeal. The time for appeal of the Commission Order has not expired prior to the date hereof. However, the parties to such Commission Order have stated that they do not intend to appeal such Order. The Issuer hereby certifies that it will not appeal such Commission Order. Such Orders are in full force and effect.

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

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

18. GRANTS: On the date hereof, the Small Cities Block Grant in the amount of \$1,500,000 and the Infrastructure Council Grant in the amount of \$100,000 are in full force and effect.

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

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of the CITY OF RONCEVERTE as of the date first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Gai White  
Janine E Johnson  
\_\_\_\_\_

Mayor

Recorder

Counsel to Issuer

07.09.08  
780310.00001

WITNESS our signatures and the official seal of the CITY OF RONCEVERTE as of the date first written above.

[CORPORATE SEAL]

SIGNATURE

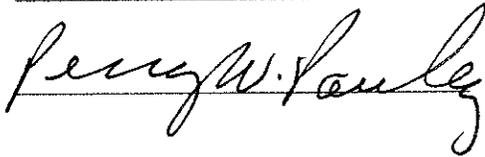
OFFICIAL TITLE

\_\_\_\_\_

Mayor

\_\_\_\_\_

Recorder

A handwritten signature in cursive script, appearing to read "Perry W. Paulley", is written over a horizontal line.

Counsel to Issuer

09.02.08  
780310.00001



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

CERTIFICATE OF ENGINEER

On this 5th day of September, 2008, I, Eric T. Hartwell, Registered Professional Engineer, West Virginia License No. 15064, of Dunn Engineers, in Charleston, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain extensions, additions, betterments and improvements (the "Project") to the waterworks portion of the existing public water system (the "System") of the City of Ronceverte (the "Issuer"), to be constructed in Greenbrier County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (the "Series 2008 A Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meanings set forth in the Bond Ordinance enacted by the Issuer on July 7, 2008, and the Supplemental Resolution adopted by the Issuer on July 28, 2008, and the loan agreement dated August 5, 2008 (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau for Public Health (the "BPH").

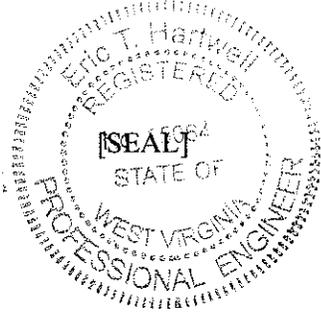
2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the BPH and any change orders approved by the Issuer, the BPH and all necessary governmental bodies; (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least 32 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing described in Schedule B, attached hereto as Exhibit A and the Issuer's counsel, Perry W. Pauley, Esquire, 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 BPH and the bid forms provided to the bidders contain the critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all applicable permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; (ix) in reliance upon the certificate of Jeffrey Feamster, CPA, as of the effective date thereof, the rates and charges for the System enacted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on Deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the BPH; 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.

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WITNESS my signature and seal as of the date first written above.



DUNN ENGINEERING

A handwritten signature in black ink, appearing to read "Eric T. Hartwell", written over a horizontal line.

Eric T. Hartwell  
West Virginia License No. 15054

07.09.08  
780310.00001

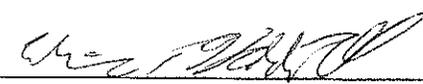
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**City of Ronceverte**  
**Water System Improvements and Upgrade Project**  
**Schedule B - July 7, 2008**

*Preliminary Cost of Project, Sources of Funds, and Cost of Financing*

| <b>A. Cost of Project</b>                                   | <b>Total</b>        | <b>SCBG</b>         | <b>DWTRF Loan</b>   | <b>IJDC Grant</b> |
|---|---------------------|---------------------|---------------------|-------------------|
| <b>1. Construction Costs</b>                                | <b>2,821,200.00</b> | <b>825,378.86</b>   | <b>1,974,500.00</b> | <b>21,321.14</b>  |
| <i>Contract #1 (Painting of Existing Tank)</i>              | 0.00                | 0.00                | 0.00                | 0.00              |
| <i>Contract #2 (Lines)</i>                                  | 2,395,500.00        | 399,678.86          | 1,974,500.00        | 21,321.14         |
| <i>Contract #3 (New Tank)</i>                               | 425,700.00          | 425,700.00          | 0.00                | 0.00              |
| <b>2. Technical Services</b>                                | <b>513,000.00</b>   | <b>513,000.00</b>   |                     |                   |
| <i>a. Engineering design/bidding</i>                        | 236,000.00          | 236,000.00          |                     |                   |
| <i>b. Engineering during construction/post construction</i> | 72,000.00           | 72,000.00           |                     |                   |
| <i>c. Additional Redesign</i>                               | 25,000.00           | 25,000.00           |                     |                   |
| <i>d. Inspection</i>  | 180,000.00          | 180,000.00          |                     |                   |
| <b>3. Legal and Fiscal</b>                                  | <b>59,403.00</b>    | <b>59,403.00</b>    |                     |                   |
| <i>a. Attorneys Fees (Easements, PSC, etc)</i>              | 49,403.00           | 49,403.00           |                     |                   |
| <i>b. Accountant (Rule 42)</i>                              | 10,000.00           | 10,000.00           |                     |                   |
| <b>4. Administration</b>                                    | <b>50,000.00</b>    | <b>50,000.00</b>    |                     |                   |
| <i>a. Region 4 PDC</i>                                      | 50,000.00           | 50,000.00           |                     |                   |
| <b>5. Sites and Other Lands</b>                             | <b>46,308.00</b>    | <b>46,308.00</b>    |                     |                   |
| <b>6. Other Costs</b>                                       | <b>5,910.14</b>     | <b>5,910.14</b>     |                     |                   |
| <i>a. Interim Financing Costs</i>                           | 0.00                | 0.00                |                     |                   |
| <i>c. Legal Ads</i>   | 5,910.14            | 5,910.14            |                     |                   |
| <b>7. Contingency</b>                                       | <b>78,678.86</b>    |                     |                     | <b>78,678.86</b>  |
| <b>8. Total of Lines 1 through 7</b>                        | <b>3,574,500.00</b> | <b>1,500,000.00</b> | <b>1,974,500.00</b> | <b>100,000.00</b> |
| <b>B. Cost of Financing</b>                                 | <b>25,500.00</b>    | <b>0.00</b>         | <b>25,500.00</b>    | <b>0.00</b>       |
| 9. Bond Counsel   | 25,000.00           | 0.00                | 25,000.00           | 0.00              |
| 10. Registrar Fee   | 500.00              | 0.00                | 500.00              | 0.00              |
| <b>11. Total Project Cost (Total of Lines 8 and 9)</b>      | <b>3,600,000.00</b> | <b>1,500,000.00</b> | <b>2,000,000.00</b> | <b>100,000.00</b> |

  
 Governmental Agency  
 7-28-08  
 Date

  
 Consulting Engineer  
 7/17/08  
 Date



**Jeffrey S. Feamster, CPA**

Jeffrey S. Feamster  
Certified Public Accountant  
P.O. Box 982  
Lewisburg, West Virginia 24901

Phone: (304) 647-5980  
Fax: (801) 640-8611  
Cellular: (304) 667-5990  
Email: [jeff@mcsww.com](mailto:jeff@mcsww.com)

September 5, 2008

City of Ronceverte  
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

City of Ronceverte  
Ronceverte, West Virginia

West Virginia Water Development Authority  
Charleston, West Virginia

West Virginia Bureau for Public Health  
Charleston, West Virginia

Steptoe & Johnson PLLC  
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the water rate ordinance of the Issuer enacted August 6, 2007, and the projected operating expenses and the anticipated customer usage as furnished to me by Dunn Engineers, Inc., it is my opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the water system of the Issuer, will pay all operating expenses and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program) (the "Bonds"), to be issued to the West Virginia Water Development Authority on the date hereof and all other obligations secured by or payable from the revenues of the System.

Very truly yours,



Jeffrey S. Feamster, CPA



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

CERTIFICATE AS TO USE OF PROCEEDS

On this 5th day of September, 2008, the undersigned Mayor of the City of Ronceverte in Greenbrier County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of \$2,000,000 Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), of the Issuer, dated September 5, 2008 (the "Bonds" or the "Series 2008 A Bonds"), hereby certifies as follows:

1. I am the officer 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 meanings set forth in the Bond Ordinance duly enacted by the Issuer on July 7, 2008, as supplemented by Supplemental resolution duly adopted by the Issuer on July 28, 2008 (collectively, 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 September 5, 2008, the date on which the Bonds are being physically delivered in exchange for a portion of the principal amount of the Series 2008 A 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 Bureau for Public Health (the "BPH"), 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 2008 A Bonds were sold on September 5, 2008, to the Authority, pursuant to a Loan Agreement dated August 5, 2008, by and between the Issuer and the Authority on behalf of the BPH, for an aggregate purchase price of \$2,000,000 (100% of par), at which time, the Issuer received \$50,000 from the Authority and the BPH, being the first advance of the principal amount of the Series 2008 A Bonds. No accrued interest has been or will be paid on the Series 2008 A Bonds. The balance of the principal amount of the Series 2008 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2008 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"), and (ii) paying certain costs of issuance of the Bonds and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2008 A 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 March 1, 2010. The acquisition and construction of the Project is expected to be completed by September 1, 2009.

8. The total cost of the Project is estimated at \$3,600,000. Sources and uses of funds for the Project are as follows:

SOURCES

|                                     |                    |
|-------------------------------------|--------------------|
| Proceeds of the Series 2008 A Bonds | \$2,000,000        |
| Small Cities Block Grant            | \$1,500,000        |
| Infrastructure Council Grant        | <u>\$100,000</u>   |
| Total Sources                       | <u>\$3,600,000</u> |

USES

|                   |                    |
|-------------------|--------------------|
| Costs of Project  | \$3,574,500        |
| Costs of Issuance | <u>\$25,500</u>    |
| Total Uses        | <u>\$3,600,000</u> |

9. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created relative to the Series 2008 A Bonds:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2008 A Bonds Construction Trust Fund;
- (4) Series 2008 A Bonds Sinking Fund; and
- (5) Series 2008 A Bonds Reserve Account.

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

(1) Series 2008 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2008 A Bonds Sinking Fund.

(2) Series 2008 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2008 A Bonds Reserve Account.

(3) The proceeds of the Series 2008 A Bonds will be deposited in the Series 2008 A 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 Series 2008 A Bonds and related costs.

11. Moneys held in the Series 2008 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2008 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2008 A Bonds Sinking Fund and Series 2008 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2008 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

12. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 12 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2008 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 18 months from the date of issuance thereof.

15. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Bonds.

16. The amount designated as costs of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.

17. All property financed with the proceeds of the Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

18. No proceeds of the Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

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

20. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

21. The Bonds are not federally guaranteed.

22. The Issuer has retained the right to amend the Bond Ordinance authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain public purpose bonds.

23. The Issuer has either (a) funded the Series 2008 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2008 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2008 A Bonds Reserve Account hold an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 2008 A Bonds Reserve Account and the Series 2008 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.

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

25. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

26. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

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

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WITNESS my signature as of the date first written above.

CITY OF RONCEVERTE

By: Gail White  
Its: Mayor

07.08.08  
780310.00001



# CITY OF RONCEVERTE

P.O. Box 417  
Ronceverte, West Virginia 24970  
(304) 647-5455

February 27, 2008

Katy Mallory, P.E.,  
Project Manager  
Steptoe & Johnson PLLC  
Chase Tower, Eighth Floor  
PO Box 1588  
Charleston, WV 25326-1588

Re: Ronceverte City Charter

Dear Ms. Mallory:

I Blaine Oborn certify as an authorized representative of the City of Ronceverte that I have enclosed a valid copy of the City's Charter.

Blaine Oborn being duly sworn, says that the facts and allegations therein contained are true, except so far as they are therein stated to be on information, and that, so far as they are therein stated to be on information, he believes them to be true.

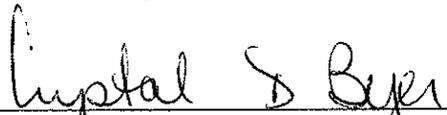
Sincerely,



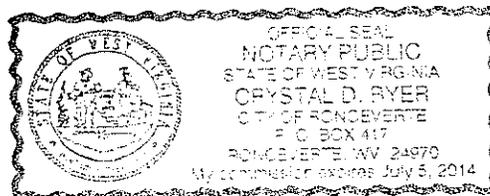
Blaine Oborn, City Administrator

Affiant.

Taken, sworn to and subscribed before me this 27<sup>th</sup> day of February, 2008.



Crystal D. Byer  
Notary Public in and for Greenbrier County.



CITY CODE OF RONCEVERTE  
CHAPTER ONE - ADMINISTRATION

---

General Provisions

- Art. 1. Codification; Adopting Ordinance  
Art. 3. Boundaries  
Art. 5. Elections  
Art. 7. House Numbering
- 

ARTICLE 1  
Codification; Adopting Ordinance

- |                               |  |
|-------------------------------|--|
| §1 Designation; how cited     | §4 Separability                              |
| §2 Amendments and supplements | §5 Repeal of prior ordinances and exceptions |
| §3 Interpretation             | §99 General penalty                          |

CROSS REFERENCE  
Repeal of ordinances - see W. Va. Code 2-2-8

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**§1 DESIGNATION; HOW CITED.**

The provisions contained in this and the following articles shall constitute "The Code of the City of Ronceverte, West Virginia, 1957. "

"The Code of the City of Ronceverte, West Virginia, 1957, " may be referred to as the "City Code" or "Code of Ronceverte, " and sections of "The Code of the City of Ronceverte, West Virginia, 1957" may be referred to and cited in the form "City Code, Ch. \_\_\_\_\_, Art. \_\_\_\_\_, § \_\_\_\_\_ " as may be applicable and appropriate to any section.

**§2 AMENDMENTS AND SUPPLEMENTS.**

The City Code may be amended or supplemented at any time and, when any amendment or supplement is adopted in such form as to indicate the intention of the Board of Commissioners to make the same a part thereof, such amendment or supplement shall be incorporated in, and deemed a part of the City Code so that a reference to the City Code shall be understood and construed as including the City Code and any and all such amendments and supplements.

### §3 INTERPRETATION.

In the construction of the City Code the following rules shall control, excepting those inconsistent with the Charter or the manifest intent of the Board of Commissioners as disclosed in a particular provision, section or chapter:

(1) Calendar - Computation of Time. The terms "month" and "year" shall mean the calendar month or year. The time expressed in days within which an act is to be done or a period is to expire shall be computed by excluding the first and including the last day except if the last be Sunday it shall be excluded. If time is expressed in hours the whole of Sunday shall be excluded.

(2) City and Municipality. The words "City" and "Municipality" shall mean the City of Ronceverte, West Virginia.

(3) Conjunctions. "And" shall include "or" and "or" shall include "and", if the sense so requires.

(4) Council or Commission. The words "Council" or "Commission" mean the Board of Commissioners of the City of Ronceverte, West Virginia.

(5) County. The word "County" means the County of Greenbrier, West Virginia.

(6) Gender. Words importing the masculine shall extend and be applied to the feminine and neuter genders.

(7) General Rule. Excepting as otherwise provided in this section, words and phrases shall be construed according to the common usage of language; provided, however, that technical words and phrases and such others as may have acquired a special meaning in the law, shall be construed according to such technical or special meaning.

Whenever in the City Code authority is given to an officer or an act is required to be performed, such authority may be exercised and such act may be performed, at the instance of such officer, by a deputy or subordinate unless contrary to law or to the clear intent of any such particular provision.

(8) Joint Authority. Words giving authority to a Board, Commission or to three or more officers or employees or other persons shall be construed as giving authority to a majority thereof unless otherwise specifically provided.

(9) Number. Words in the plural shall include the singular and in the singular shall include the plural number.

(10) Owner. The word "owner" when applied to property shall include any part-owner, joint owner or tenant in common, of the whole or any part of such property.

(11) Person. The word "person" shall extend to and be applied to associations, clubs, corporations, firms and partnerships, as well as to individuals.

(12) Premises. The word "premises" when used as applicable to property shall extend to and include land and buildings.

(13) Public Authority. The term "public authority" shall extend to and include Boards of Education; County, State and Federal Officers; and any duly authorized public official.

(14) Property. The word "property" shall include real and personal, and any mixed and lesser estates or interests therein; the words "personal property" shall include every kind of property except real property; and the words "real property" shall include lands, tenements and hereditaments.

(15) Reasonable Time. In all cases where provision is made for an act to be done or notice to be given within a reasonable time, it shall be deemed to mean such time only as may be necessary for the prompt performance of such act or giving of such notice.

(16) Recorder or Clerk. The terms "Recorder" or "Clerk" shall be construed to mean the Clerk of the City of Ronceverte, West Virginia.

(17) Sidewalk. The term "sidewalk" shall mean that portion of the street, located between the curb line and the line of the next adjacent property, intended for use by pedestrians.

(18) State. The word "State" shall mean the State of West Virginia.

(19) Street. The word "street" shall be construed to include alleys, avenues, boulevards, lanes, roads, streets and other public ways in the Municipality.

(20) Tenant or Occupant. The words "tenant" or "occupant" as applied to a building or land shall extend and be applied to any person holding a written or oral lease of or who occupies the whole or any part of a building or land, alone or with others.

(21) Tenses. The use of any verb in the present tense shall include the future.

#### §4 SEPARABILITY.

Each section and each part of each section of the City Code is hereby declared to be an independent section or part of a section and, notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any such section or part of a section, or any provision thereof, or the application thereof to any person or circumstances, is held to be invalid, the remaining sections or parts of sections and the application of such provision to any other person or circumstances, other than those as to which it is held invalid, shall not be affected thereby, and it is hereby declared to be the legislative intent that the City Code would have been adopted independently of such section, sections or parts of a section so held to be invalid.

#### §5 REPEAL OF PRIOR ORDINANCES AND EXCEPTIONS.

All prior ordinances of the Municipality in conflict with the City Code are hereby repealed. However such repeal of ordinances shall not affect:

(1) Any offense or act committed or done, or any penalty or forfeiture incurred, or any contract or right established or accruing before April 1, 1957;

(2) Any ordinance or resolution promising or guaranteeing the payment of money by or to the Municipality or authorizing the issuance of any bonds of the Municipality or any evidence of the Municipality's indebtedness, or any contract or obligation assumed by the Municipality;

(3) The administrative ordinances or resolutions of the Board of Commissioners not in conflict or inconsistent with the provisions of the City Code;

(4) Any right or franchise conferred by any ordinance or resolution of the Board of Commissioners on any person or corporation;

(5) Any ordinance naming, relocating or vacating any street or public way;

(6) Any salary ordinance;

(7) Any prosecution, suit or other proceeding pending, or any judgment rendered on or prior to the thirty-first day of March, 1957;

(8) Any ordinance which may be adopted by the Board of Commissioners after January 1, 1957.

#### §99 GENERAL PENALTY.

Whenever in the City Code any act is prohibited or is made or declared to be unlawful or an offense or a misdemeanor, or whenever in such City Code the doing of any act is required or the failure to do any act is declared to be unlawful, where no specific penalty is provided therefor, the violator of any such provision shall be punished by a fine not exceeding fifty dollars (\$50.00). Any such violation shall constitute a separate offense on each successive day continued.

§ 3-3-13

ELECTIONS

(b) The size and form of absent voter's ballot envelope Nos. 1 and 2, and carrier envelopes;

(c) The forms and information which shall be placed on absent voter's ballot envelope No. 2;

(d) The forms and manner of making the challenges to absent voters' ballots authorized by this article;

(e) The forms of, information to be contained in, and consolidation of lists and records pertaining to applications for, and voting of, absent voters' ballots and assistance to persons voting absentee voters' ballots;

(f) The supplying of application forms, envelopes, challenge forms, lists, records, and other forms;

(g) The keeping and security of voted absentee voters' ballots in the office of the clerk of the circuit court. (1970, c. 50.)

§ 3-3-13. Absentee voting in municipal elections.

The provisions of this article relating to absentee voting shall apply to all municipal elections, except where clearly not adaptable thereto, and the governing bodies of the several municipalities of the State shall by ordinance implement the provisions hereof so as to develop and provide a complete and satisfactory absentee voting system for municipal elections. (1963, c. 64; 1970, c. 50.)

ARTICLE 4.

VOTING MACHINES.

- |   |   |
|---|---|
| Sec.  | Sec.  |
| 3-4-1. Use of voting machines authorized.   | 3-4-12. Inspection of machines; duties of county court, ballot commissioners and election commissioners; keys and records relating to machines. |
| 3-4-2. Procedures for adopting voting machines.   | 3-4-13. Election boards where voting machines used; instructions; vacancies; compensation.  |
| 3-4-3. Procedures for terminating use of voting machines.   | 3-4-14. Instructions and help to voters; voting machine models; facsimile diagrams; sample ballots; legal ballot advertisements.                |
| 3-4-4. Duty of county court to acquire machines; provision in some precincts.   | 3-4-15. Delivery of machines; time; arrangement for voting.   |
| 3-4-5. Acquisition of machines by purchase or lease.  | 3-4-16. Check of machines before use; corrections; reserve machines.  |
| 3-4-6. Bids and contracts for voting machines; false swearing or failure to disclose facts.   | 3-4-17. Disrepair of machines in use; reserve machines; counting.   |
| 3-4-7. Approval of voting machines by state election commission; compensation of experts examining machines.  | 3-4-18. Conducting voting machine elections generally; duties of election officers.   |
| 3-4-8. Minimum requirements of voting machines.   | 3-4-19. "Independent" voting in primary elections.  |
| 3-4-9. County court clerk custodian of machines; duties.  | 3-4-20. Recording and disposition of absent voters' ballots.  |
| 3-4-10. Ballot labels, instructions and other supplies; vacancy changes; procedure and requirements.  | 3-4-21. Assistance to illiterate and disabled voters.   |
| 3-4-11. Ballot label arrangement in machines; drawing by lot to determine position of candidates for house of delegates on machines; adjustment; records. | 3-4-22. Persons prohibited about voting machines; penalties.  |
|   | 3-4-23. Voting by challenged voters.  |

ARTICLE 3  
Boundaries

EDITOR'S NOTE: There are no sections in Article 3. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

Boundaries - see Chtr. §2  
Change of boundary - see W. Va. Code 8-2-8, 8-2-9  
Minor boundary adjustments - see W. Va. Code 8A-6-25

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ARTICLE 5  
Elections

EDITOR'S NOTE; There are no sections in Article 5. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

Election regulations - see Chtr. §9 - §12  
Electing a city manager - see Chtr. §49  
Term of officers - see Chtr. §47  
Election of municipal officers - see W. Va. Const. Art. VI, §44  
Municipal precinct registration records - see W. Va. Code 3-4-13a  
General provisions - see W. Va. Code 8-3-1 et seq.

ARTICLE 7  
House Numbering

§1 Numbering of houses and businesses required.

§2 Owners to apply for and affix numbers  
§99 Penalty

---

§1 NUMBERING OF HOUSES AND BUSINESSES REQUIRED.

All houses and places of business shall be numbered by the owners thereof, or by the persons residing therein, with numbers clearly legible from the street to be assigned each of the places by a committee duly appointed by the Council for the purpose of facilitating the delivery of mail and parcel post to such places.

§2 OWNERS TO APPLY FOR AND AFFIX NUMBERS.

The owners of homes and places of business hereafter erected shall apply to the Council and shall receive from the Council the number assigned to such location, and shall affix the numbers to such places.

§99 PENALTY.

Whoever violates this article shall be deemed guilty of a misdemeanor and fined not less than one dollar (\$1.00) nor more than twenty-five dollars (\$25.00). Each day's violation shall constitute a separate offense.

Legislative

- Art. 11. Board of Commissioners  
Art. 13. Ordinances

ARTICLE 11  
Board of Commissioners

- |                              |  |
|------------------------------|--|
| §1 Day of meeting            | §8 Recognition by chair                          |
| §2 Attendance at meetings    | §9 Committee reports                             |
| §3 Duty of presiding officer | §10 Violation of rules                           |
| §4 Order of proceedings      | §11 Reduction to writing of motion or resolution |
| §5 Parliamentary practice    | §12 Objection to motion or resolution            |
| §6 Suspension of rules       |  |
| §7 Points of order           |  |

CROSS REFERENCES

- Board to act as governing body - see Chtr. §5-§8  
Election - see Chtr. §11  
Proceedings of the Board - see Chtr. §13-§21  
Licensing authority - see Chtr. §37  
Condemnation proceedings - see Chtr. §38  
Determining materials to be used for sidewalks - see Chtr. §41  
Street paving - see Chtr. §42  
Sewer constructions - see Chtr. §43  
Publishing financial statements - see Chtr. §45  
Council, defined - see W. Va. Code 8-1-1  
Prohibiting issuing of licenses - see Ch. 7, Art. 1, §9

**§1 DAY OF MEETING.**

The regular meeting of the Board of Commissioners shall be on the first Monday of each month at 7:30 p. m. in the Municipal Building.

**§2 ATTENDANCE AT MEETINGS.**

It shall be the duty of the Mayor and of each member of the Board of Commissioners to attend each meeting, regular or special.

**§3 DUTY OF PRESIDING OFFICER.**

The presiding officer shall call the Board of Commissioners to order at the appointed hour, or as soon thereafter as a quorum is present, and shall preserve order and decorum.

#### §4 ORDER OF PROCEEDINGS.

The order of proceedings of each meeting of the Board of Commissioners shall be as follows:

1. Roll call.
2. Reading and approving the minutes not already approved.
3. Action upon accounts.
4. Report of special committees.
5. Reports from other officers of the Municipality.
6. Action on petitions.
7. Enactment of ordinances.
8. Filling of vacancies in positions of officers or employees.
9. Miscellaneous and unfinished business.
10. Adjournment.

#### §5 PARLIAMENTARY PRACTICE.

The ordinary rules of standard parliamentary practice shall govern the Board of Commissioners when not inconsistent with law.

#### §6 SUSPENSION OF RULES.

The Board of Commissioners may temporarily suspend any of its rules by a majority vote.

#### §7 POINTS OF ORDER.

All points of order shall be decided by the presiding officer, subject to an appeal to the Board of Commissioners, which appeal shall be allowed only upon the demand of two members of the Board of Commissioners.

#### §8 RECOGNITION BY CHAIR.

In case more than one member is demanding attention from the chair at the same time, the chair shall designate which one he recognizes.

#### §9 COMMITTEE REPORTS.

All reports of committees shall be made in writing and properly signed, if demanded by any two members of the Board of Commissioners.

#### §10 VIOLATION OF RULES.

If any member transgress any of the rules of the Board of Commissioners in session, he may be called to order by the presiding officer, in which case, the member called to order shall obey, subject to an appeal to the Board of Commissioners.

#### §11 REDUCTION TO WRITING OF MOTION OR RESOLUTION.

Every motion or resolution shall be reduced to writing, if the Mayor or any other member of the Board of Commissioners shall demand it.

#### §12 OBJECTION TO MOTION OR RESOLUTION.

Any member may object to any motion or resolution offered, and have his protest entered of record, and his reasons therefor, provided they are stated very briefly and in proper language.

ARTICLE 13  
Ordinances

EDITOR'S NOTE: There are no sections in Article 13. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

Enforcement - see Chtr. §23

Procedure for passing ordinances - see Chtr. §39

Power to make and pass ordinances - see W. Va. Code 8-4-23

Ordinances delegating discretion - see W. Va. Code 8-4-24

Adopting Ordinance - see Ch. 1, Art. 1, §1 et seq.

Administrative Offices

- Art. 21. Mayor
- Art. 23. Clerk-Treasurer
- Art. 25. Solicitor
- Art. 27. Police Department
- Art. 29. Fire Department
- Art. 31. Health Board
- Art. 33. Cemeteries

ARTICLE 21

Mayor

EDITOR'S NOTE: There are no sections in Article 21. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

- Election of Mayor - see Chtr. §15
- Law enforcement by Mayor - see Chtr. §22, §25
- Collection of fines - see Chtr. §24
- Duties and powers of Mayor - see W. Va. Code 8-4-3
- Enforcing State criminal laws - see W. Va. Code 8-4-25
- Requirements for office - see W. Va. Code 8-3-9

ARTICLE 23

Clerk-Treasurer

EDITOR'S NOTE: There are no sections in Article 23. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

- Election or appointment - see Chtr. §21
- City Clerk - see Chtr. §28-§31
- City Treasurer - see Chtr. §33
- Term of officers - see Chtr. §47
- Qualifications of Treasurer - see W. Va. Code 8-3-9

0 111111  
Municipal 1967

In Municipal Board  
Aug-13-1968 Meeting

ARTICLE 70

BOARD OF PARK COMMISSIONERS

Section I- Board Created: Purpose

There is created a Board of Park Commissioners for the purpose of establishing, improving, developing, operating and maintaining a municipal park system in accordance with the statutes of the State of West Virginia, and as provided by the West Virginia Code, Chapter 8, Article 14.

Section II- Memberships:

The Board of Park Commissioners shall consist of five (5) duly qualified citizens of the municipality, to be appointed by the Board of Commissioners of the municipality. All members so appointed shall be bonafide residents of the city and shall own real estate within its corporate limits. Not more than two (2) Commissioners of said municipality may be appointed to said board. The term of the board membership of any commissioner so appointed shall continue during his term and until his successor is appointed or elected and qualified. The terms of other appointed members shall be for six (6) years, and until their successors have been duly appointed and qualified. When any member of the board, during his term of office, shall cease to be a bonafide resident of the Municipality or a freeholder thereof, he shall thereby be disqualified as a member of said board and his said office shall thereupon become vacant.

When a vacancy occurs on said board by reason of death, resignation, change of residence from the municipality, or for any other cause, the council of the municipality shall appoint successors.

Section III- Purchase, lease or condemnation of real estate:

The board shall have power to acquire by purchase, lease, or by exercise of the power of eminent domain, such land or lands as it shall determine to be necessary or incidental to the construction, operation and maintenance of a system of public parks, parkways, playground, athletic fields, stadiums, swimming pools skating rinks, and other like public recreation facilities for the municipality.

ARTICLE IV

Powers: The Board of Park Commissioners created by this ordinance shall be a public corporate body with perpetual existence and a seal. It shall have all the powers vested in a Board of Park Commissioners by the West Virginia Code, Chapter 8, Article 14.

ARTICLE 25  
Solicitor

EDITOR'S NOTE: There are no sections in Article 25. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

Election or appointment - see Chtr. §21  
Charter provision - see Chtr. §32  
Term of officers - see Chtr. §47

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ARTICLE 27  
Police Department

EDITOR'S NOTE: There are no sections in Article 27. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

Election or appointment - see Chtr. §21  
Chief of Police - see Chtr. §34  
Removal of Chief - see Chtr. §34  
Control by Mayor - see W. Va. Code 8-4-3  
Chief, duties and powers - see W. Va. Code 8-4-5  
Civil service - see W. Va. Code 8-5A-1 et seq.  
Relief and Pension Fund - see W. Va. Code 8-6-10  
Department impounding vehicles - see Ch. 3, Art. 7, §1  
Resisting or impersonating an officer - see Ch. 5, Art. 59, §2, §3  
False police calls - see Ch. 5, Art. 59, §4

ARTICLE 29  
Fire Department

EDITOR'S NOTE: There are no sections in Article 29. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

General regulations - see W. Va. Code 8-6-1 et seq.  
Relief and Pension Fund - see W. Va. Code 8-6-12 et seq.  
Fires and fire prevention - see Ch. 5, Art. 31  
False fire alarms - see Ch. 5, Art. 59, §4  
Fire limits - see Ch. 11, Art. 5

ARTICLE 31  
Health Board

EDITOR'S NOTE: There are no sections in Article 31. This article has been established to provide a place for cross references and any future legislation.

CROSS REFERENCES

Election or appointment - see Chtr. §21  
City Health Board - see Chtr. §35  
Term of officers - see Chtr. §47  
Municipal health officers - see W. Va. Code 16-2-1 et seq.  
Sanitary Board - see Ch. 9, Art. 11, §1 et seq.

ARTICLE 33  
Cemeteries

§1 Riverside Cemetery

§2 Colored Cemetery

§1 RIVERSIDE CEMETERY.

The cemetery for white persons in the Municipality known and hereafter to be called Riverside Cemetery and controlled by the Board of Commissioners through its Cemetery Committee shall be hereafter placed in the hands and possession and shall be hereafter controlled and operated by three trustees. The Trustees shall be appointed by the Board of Commissioners and shall hold their office for a period of five years and until their successors

*Amended by Ord. 2001-03  
see next page*

**AN ORDINANCE:** (1) Revising Article 33 Sections 1 and 2 of the Ronceverte Municipal Code.

**WHEREAS:** The City of Ronceverte, finding it appropriate so to do, Article 33 Sections 1 and 2 of the City of Ronceverte Municipal Code shall be amended to read as follows:

**Be it ordained by the City Council of the City of Ronceverte, West Virginia, That:**

**Article 33 Section 1 Riverview Cemetery and Sunset Memorial Cemetery.**

The cemeteries within the Municipality, known and hereafter to be called Riverview Cemetery and Sunset Memorial Cemetery and controlled by the City through its Cemetery Committee shall be hereafter placed in the hands and possession and shall be hereafter controlled and operated by four trustees. The Trustees shall be appointed by the City Council and shall hold their office for a period of five years and until their successors are appointed and qualified. The Trustees shall have complete control over the Cemetery grounds and the appurtenances thereto. The Trustees shall manage the affairs of the Cemeteries, collect all funds and make all necessary expenditures therefrom, for the purpose of keeping up the Cemeteries and the improvement thereon. The Trustees shall account to the City Council once a year and at such other suitable times as the City Council may require. All vacancies in the Board of Trustees shall be filled by the City Council and any Trustees may be removed by the City Council for good cause after ten days notice to the Trustees.

**EFFECTIVE:** 6 Aug 2001

**DATE:** 6 Aug 2001

**APPROVAL:** Nancya Murdick, Mayor  
Terry W. Erroy  
Recorder

KONCEVERTE CITY CODE

ARTICLE 51

MUNICIPAL COURT

- § 51-1. Court Created; Jurisdiction Generally.
- § 51-2. Municipal Judge, Qualifications, Terms, etc.
- § 51-3. Acting Municipal Judge.
- § 51-4. Municipal Judge, Vacancy.
- § 51-5. Powers and Duties of Municipal Judge.
- § 51-6. Warrants, Orders and Process; Authority and Liability of Police Officers in Service of Process.
- § 51-7. Rules Governing Court and Judge; Maintenance of Records.
- § 51-8. Record of Traffic Cases; Traffic Violations Bureau.
- § 51-9. Appeals
- § 51-10. Contempt--Acts Punishable.
- § 51-11. Same--Procedure Upon Occurrence of Contemptuous Act.
- § 51-12. Same--Judgment and Commitment.
- § 51-13. Bail Bonds and Cash Deposits in Lieu Thereof.
- § 51-14. Requisites and Disposition of Cash Deposits Posted in Lieu of Bail Bond.
- § 51-15. Unauthorized Acceptance or Approval of Cash Bond; Approval of Bond in Felony Cases.
- § 51-16. Persons Prohibited to be Surety on Bail Bonds.
- § 51-17. Installment or Other Method of Payment When Defendant Unable to Pay Forthwith.
- § 51-18. Determination of Ability to Pay, Questionnaire to be Answered by Defendant; Assistance to Defendant; Penalty for False Swearing.
- § 51-19. Payment of Fine May be Made Condition of Probation or Suspension of Sentence.
- § 51-20. Court May Require Defendant to be on Good Behavior Until Fine and Costs are Paid.
- § 51-21. Procedure Upon Default in Payment Under Agreement; Confinement in Case of Willful Default.

For state law as to Collection of Fines, see Chtr. 24.  
As to Imprisonment, see Chtr. 25. As to Power of Mayor as Conservator of the Peace, see W. Va. Code, 8-4-3. As to Appeals, see W. Va. Code, 8-4-26.

- § 51-22. Persons Liable to Service.
- § 51-23. Exemptions and Disqualifications.
- § 51-24. Jury Commissioners; Appointment and Qualifications; Term; Removal; Vacancies; Compensation; Oath; Powers and Duties Generally.
- § 51-25. Jury List--Preparation.
- § 51-26. Custody, Striking off Names.

RONCEVERTE CITY CODE

MUNICIPAL COURT

- § 51-27. Preparation and Custody of Ballots.
- § 51-28. Section of Trial Jurors.
- § 51-29. Issuance of Venire Facias; Number of Jurors Summoned.
- § 51-30. Summons to Jury Commissioners--Issuance.
- § 51-31. Same--Service, Drawing of Jurors' Names; Preparation of List.
- § 51-32. Special Jury Commissioners: Delivery of List; Summons of Jurors.
- § 51-33. Method of Drawing Ballots From Box; Destruction of Ballots.
- § 51-34. Endorsement On and Custody of Ballots Drawn; Notation of Jurors Drawn on Jury List.
- § 51-35. When Ballots to be Returned to Jury Box.
- § 51-36. Penalty for Failure of Jurors to Attend.
- § 51-37. Discharge of Jurors; Excuse from Attendance.
- § 51-38. Competency of Jurors.
- § 51-39. Penalty for Failure to Draw or Summon Jurors.
- § 51-40. Compensation of Jurors; Taxation of Jury Fees as Cost; Disposition of Fees.
- § 51-41. When Juror Not Entitled to Compensation.
- § 51-42. Record of Allowance to Jurors; Certification to City Treasurer; Failure of Clerk to Comply with Provisions.
- § 51-43. Payment of Compensation.
- § 51-44. Fraud in Selection of Jurors.
- § 51-45. Use of Terms of Gender.

RONCEVERTE CITY CODE

ARTICLE 51

In General.

For state law as to authority of city, by ordinance,  
to provide for a municipal court, see W. Va. §8-10-2.

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(1) COURT CREATED; JURISDICTION GENERALLY.

There is hereby created a court, to be known as the "Municipal Court," which shall have criminal jurisdiction over violations of city ordinances and the criminal jurisdiction of a magistrate of the State of West Virginia with respect to offenses committed within the city limits of the City of Ronceverte.

(2) MUNICIPAL JUDGE, QUALIFICATIONS, TERMS, ETC.

There shall be a judge, to be known as the "Municipal Judge," who shall be appointed by the Mayor with the consent and approval of the city council, who shall serve for a term of two years and who shall receive such compensation as may be fixed by the city council. The person(s) so appointed as municipal judge shall qualify by taking the oath of office as such and shall give bond in an amount fixed by council, under which bond he shall be responsible for all funds coming into his hands by virtue of such appointment.

(3) ACTING MUNICIPAL JUDGE.

In the event of the temporary absence or disability of the municipal judge, the Mayor shall appoint a person to serve as acting municipal judge during such absence or disability; and such acting municipal judge shall have all and the same powers and authority as the municipal judge.

(4) MUNICIPAL JUDGE, VACANCY.

In the event of the death, resignation, removal or permanent disability of the municipal judge, the Mayor shall appoint a person to serve as municipal judge for the unexpired term.

## MUNICIPAL COURT

### (5) POWERS AND DUTIES OF MUNICIPAL JUDGE.

The municipal judge shall preside over the municipal court. He shall be a conservator of the peace within the city, and insofar as any ordinance of the city is concerned, shall have and exercise all such powers and duties in criminal cases as a magistrate may lawfully exercise under the statutes of the state, and he shall also be ex officio a magistrate within the city, and shall, perform all duties fixed by law in a magistrate, except that he shall have no jurisdiction in civil cases; and he shall have such further powers and perform such other duties as may be from time to time prescribed or conferred by any law of the state or by ordinance of the city.

The municipal judge shall have power to issue warrants upon complaint under oath by any person or officer for the arrest of anyone charged with any offense within the jurisdiction of the court. The municipal judge shall hear and determine all cases over which the court has jurisdiction, and within the limits prescribed by ordinance or by general law shall have the power to punish by fine or imprisonment, or both. The municipal judge shall have power to summons persons or subpoena witnesses for the trial of any case before him, to compel the attendance of police officers of the city, to require the chief of police to enforce all judgments or orders entered by him in the exercise of his powers as municipal judge and to issue executions for all fines, penalties and costs imposed by him. The proceedings for the recovery of fines or for the enforcement of penalties fixed by any ordinance or law shall, so far as applicable, conform to the provisions of the general law governing civil proceedings before a magistrate of the State of West Virginia.

### (6) WARRANTS, ORDERS AND PROCESS; AUTHORITY AND LIABILITY OF POLICE OFFICERS IN SERVICE OF PROCESS.

All warrants or other process and orders of the municipal court shall be directed to the chief of police, to be executed by him or by one of his subordinates. The police officer executing any such process or order shall have the same authority and be subject to the same liability as a sheriff of the State of West Virginia in performance of like services.

## KONCEVERTE CITY CODE

### (7) RULES GOVERNING COURT AND JUDGES: MAINTENANCE OF RECORDS.

In the discharge of his duties and in the trial of cases, the municipal judge shall follow the rules prescribed by law for criminal proceedings before a magistrate of the State of West Virginia. The municipal judge shall keep a record of all warrants issued by him, of all persons arrested and brought before him and of all trials, fines or sentences imposed or judgments entered by him in a permanent book to be known as the municipal court docket. A record of all entries made in such docket shall be signed by the municipal judge on the date of such entry.

### (8) RECORD OF TRAFFIC CASES; TRAFFIC VIOLATIONS BUREAU.

The municipal judge shall keep or cause to be kept a record of every traffic complaint, or other legal form of traffic charge deposited with or presented to the municipal court or its traffic violations bureau, if and when he shall establish such bureau, and shall keep a record of every official action by the court or its traffic violations bureau in reference thereto, including but not limited to a record of every conviction, forfeiture of bail, judgment of acquittal, and the amount of fine or forfeiture resulting from every traffic complaint deposited with or presented to the court or traffic violations bureau.

For state law basis of this section, see  
W. Va. code, §17C-19-8.

### (9) APPEALS.

Any person sentenced to imprisonment, or any individual or corporation against whom a fine of ten dollars or more is assessed, shall have the right of appeal from such judgment of the municipal judge to the court having jurisdiction over appeals therefrom, upon the payment of costs and the execution of an appeal bond, with security deemed sufficient by the municipal judge, in a penalty of an amount deemed sufficient by the municipal judge, and costs, conditioned that the appellant will appear before the appellate court on the first day of the next term thereof to answer to the offense with which he is charged and to perform and satisfy any judgment which may be entered against him by the appellate court which shall have jurisdiction to try the case in accordance with the law.

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(10) CONTEMPT--ACTS PUNISHABLE.

The municipal judge may punish for contempt a person guilty of any of the following acts:

(a) Contemptuous or insolent behavior towards him while he is engaged in the trial of a case or in any other judicial proceeding.

(b) Any breach of the peace, willful disturbance or indecent conduct in the presence of such judge while so engaged, or so near as to obstruct or interrupt his proceedings.

(c) Violence or threats of violence to such judge or any officer, juror, witness or party going to, attending or returning from, any judicial proceeding before such judge in respect to anything done or to be done in the course of such proceeding.

(d) Misbehavior of any officer in his official character in respect to any action or judicial proceeding had or pending before such judge or any process, judgment, order or notice therein.

(e) Willful resistance, in the presence of the judge by an officer, juror, witness, party or other person to any lawful process or order of such judge.

(11) SAME--PROCEDURE UPON OCCURRENCE OF CONTEMPTUOUS ACT.

An order of arrest may be issued by the municipal judge on which any person guilty of contempt may be taken and brought before him, or such person may be taken in custody by any officer or person present, upon the oral order of the judge, and held to answer for the contempt. An opportunity must be given him to be heard in defense or explanation of his conduct; and the judge may thereupon discharge him, or adjudge him guilty of the contempt, and punish him by fine or imprisonment, or both. The fine shall not exceed fifty dollars or imprisonment for five days.

(12) The conviction for contempt, specifying the particular circumstances of the offense and judgment thereon, shall be entered by the municipal judge in his docket. A warrant of commitment for the term of imprisonment adjudged may be issued by the judge, commanding an officer to take the offender to the jail of the county, and the jailer to imprison him therein for the adjudged term; and such warrant shall contain a transcript of the entry in the docket. The judgment may include, in addition to the fine, all costs in the case, including costs of arresting and keeping in prison the offender.

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### (13) BAIL BONDS AND CASH DEPOSITS IN LIEU THEREOF.

Except as may be provided otherwise in any case by state law, this Code or other ordinances, whenever any person is arrested for any violation of an ordinance of the City or for any offense of which the municipal judge has jurisdiction, it shall be lawful for the municipal judge, clerk, Mayor, chief of police and the desk sergeant or person in charge of police headquarters to admit such person to bail upon the execution of a bond to the city in such an amount, not less than twenty-five dollars nor more than the maximum fine which may be adjudged against such person for the offense or offenses he is alleged to have committed plus the costs which could be assessed against him, as in discretion of the officer will secure the prisoner's presence, conditioned that the accused will appear upon a day named, before the municipal judge of the city, to await trial; and every such bond taken shall be filed as soon as practicable with the municipal court by the officer approving and taking such bond; and the municipal judge, clerk, Mayor, chief of police and the desk sergeant or person in charge of police headquarters shall each have the power to approve any bond taken under the provisions of this section, precedence being given to the ranking officer present when such bond is presented. No person shall be accepted as surety upon any penal bond unless he shall acknowledge the bond before some official duly authorized by this Code or by state law to administer an oath, and shall make oath that he is the owner in fee or real estate situate in Greenbrier County and worth the amount of the bond over and above his debts and liabilities; but the officers hereinbefore named in this section are hereby authorized and empowered to accept a deposit in cash of an amount, not less than the minimum nor more than the maximum hereinbefore specified for a bond, which, in the judgment of the officer accepting the deposit, will be sufficient to cause the prisoner's appearance upon the day required of him before the municipal judge to await trial upon the charge against him. In the event any person so released upon bond or such deposit shall fail to appear before the municipal judge for trial at the appointing time, or having appeared, shall leave the court without awaiting trial, his bond shall be forfeited thereby to the city, and if a cash deposit has been made to secure his release, the sum so deposited shall be delivered to the municipal judge and by him promptly turned into the city treasury to the credit of the general fund and accounted for by him in the same manner that fines collected by him are counted for; and in the event of the forfeiture of a penal bond, the treasurer shall forthwith take the steps necessary at law for the collection thereof.

For state law as to right of bail generally,  
see W. Va. Code, ch. 62, art. 1C.

## MUNICIPAL COURT

### (14) REQUISITES AND DISPOSITION OF CASH DEPOSITS POSTED IN LIEU OF BAIL BOND.

No cash bond shall be accepted by any officer authorized to accept such bond unless the prisoner and the officer authorized to accept it are present at police headquarters. The money deposited as security for any person's appearance shall be deposited with the desk sergeant at police headquarters, to be by him safely kept until the next regular session of the municipal court, when it shall be turned over by the desk sergeant who received it to the judge of the municipal court, and by the judge disposed of as required by the bond and this and the preceding section.

### (15) UNAUTHORIZED ACCEPTANCE OR APPROVAL OF CASH BOND; APPROVAL OF BOND IN FELONY CASES.

If any officer shall accept or approve any cash bond at any place or in any other manner than is provided for and authorized by this article, such unauthorized acceptance or approval shall constitute good cause for his suspension or removal or the reprimand or fining of such officer after a hearing on the charge by the city council. In case of the arrest of any person upon a charge of a felony, the bond for his release, if approved, shall only be approved by the municipal judge, or the judge of a court having jurisdiction to try the prisoner for the felony alleged to have been committed by him.

### (16) PERSONS PROHIBITED TO BE SURETY ON BAIL BONDS.

No practicing attorney, officer of the municipal court or member of the police department shall be accepted as surety on any bond provided for in this article.

### (17) INSTALLMENT OR OTHER METHOD OF PAYMENT WHEN DEFENDANT UNABLE TO PAY FORTHWITH.

Whenever a person is convicted in the municipal court of a violation of this Code or other ordinance or any rule, regulation, notice or order promulgated pursuant to authority thereof, and such person is sentenced to pay a fine, and it shall appear to the court on its own motion or on motion of the defendant that such defendant is unable to pay such fine forthwith, the court may order the defendant to pay such fine and any costs which the defendant may be required to pay in installments or upon such other terms and conditions or within such period of time as may enable the defendant to pay such fine and costs.

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For state law as to authority of municipal judge, or such reasonable conditions as may be imposed by him, to suspend fines and forfeitures for violations of municipal ordinances, see W. Va. Code, §8-11-1.

- (18) DETERMINATION OF ABILITY TO PAY; QUESTIONNAIRE TO BE ANSWERED BY DEFENDANT; ASSISTANCE TO DEFENDANT; PENALTY FOR FALSE SWEARING.

(a) In determining whether a defendant is unable to pay a fine forthwith, the court may require such defendant to file a petition, under oath, with the court, upon a form provided by the court, setting forth the financial condition of the defendant.

(b) Such form shall be a questionnaire, and shall include, but shall not be limited to: The name and residence of the defendant; his occupation, if any; his family status and the number of persons dependent upon him; his monthly income; whether or not his dependents are employed and, if so, their approximate monthly income; his banking accounts, if any; real estate owned by the defendant, or any interest he may have in real estate; income produced therefrom; any independent income accruing to the defendant; tangible and intangible personal property owned by the defendant, or in which he may have an interest; and a statement listing the approximate indebtedness of the defendant to other persons. Such form shall also include a payment plan of the defendant, if the court should exercise its discretion in permitting the payment of such fine and costs in installments or other conditions to be fixed by the court. At the end of such form there shall be printed in boldface type, in a distinctive color the following: "THIS STATEMENT IS MADE UNDER OATH. ANY FALSE STATEMENT OF A MATERIAL FACT TO ANY QUESTION CONTAINED HEREIN SHALL CONSTITUTE FALSE SWEARING AND SHALL BE AN OFFENSE AGAINST THIS SECTION. THE MAXIMUM PENALTY IS \$100 FINE OR THIRTY DAYS IN JAIL, OR BOTH." A copy of the petition shall be retained by the defendant.

(c) If the defendant is unable to read or write, the court or the clerk may assist the defendant in completing the petition and require him to affix his mark thereto. The consequences of the making of a false statement shall be explained to such defendant.

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(19) PAYMENT OF FINE MAY BE MADE CONDITION OF PROBATION OR SUSPENSION OF SENTENCE.

If a defendant is sentenced to pay a fine and payment of the fine or fine and costs is ordered to be made on an installment basis or on other conditions under the provisions of section 51-17, and if the defendant is also placed on probation or imposition of the execution of sentence is suspended, the court may make payment of the fine a condition of probation or suspension of sentence.

(20) COURT MAY REQUIRE DEFENDANT TO BE ON GOOD BEHAVIOR UNTIL FINE AND COSTS ARE PAID.

If a defendant is permitted to pay a fine or fine and costs on an installment basis, or under such other conditions as the court shall fix under the provisions of section 51-17, the court may require as a condition that the defendant be of peace and good behavior until the fine and costs are paid.

(21) PROCEDURE UPON DEFAULT IN PAYMENT UNDER AGREEMENT; CONFINEMENT IN CASE OF WILLFUL DEFAULT.

When any person sentenced to pay a fine defaults in the payment of any such fine or of any installment thereof, the court may issue a summons for such person to appear before the court for a hearing on the question of whether such person's failure to pay the fine or any installment was attributable to intentional refusal to comply with the prior order of the court or to a lack of a good faith effort to comply therewith. The court may, after hearing, order that the person in default be allowed additional time for payment, may reduce or remit the amount of the fine or the unpaid portion thereof in whole or in part, or upon a finding that the default was intentional or due to the lack of a good faith effort to comply with the prior order of the court may order such person confined for such period up to thirty days as the court in its discretion shall determine.

(22) PERSONS LIABLE TO SERVICE.

All persons who are at least eighteen years of age and who are citizens of this city, shall be liable to serve as municipal jurors, except as hereinafter provided.

(23) EXEMPTIONS AND DISQUALIFICATIONS.

The judge of the municipal court may, in his discretion, exempt or excuse any person from jury service when it appears

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that such service would be improper or work an undue hardship. The following persons shall be disqualified from serving as jurors: Idiots, lunatics, paupers, vagabonds, habitual drunkards and persons convicted of infamous crimes. Any person over the age of sixty-five (65) years of age shall, upon written request of the judge be excused from jury service.

(24) JURY COMMISSIONERS; APPOINTMENT AND QUALIFICATIONS; TERM; REMOVAL; VACANCIES; COMPENSATION; OATH; POWERS AND DUTIES GENERALLY.

(a) There shall be two jury commissioners of the court. They shall be citizens of good standing and residents in the city. The chairman of a political party shall be ineligible for appointment.

(b) Jury commissioners shall be appointed by the municipal judge. The terms of office shall be four years and shall commence upon appointments.

(c) Jury commissioners may be removed from office by the municipal judge for official misconduct, incompetency, habitual drunkenness, neglect of duty or gross immorality. Vacancies caused by death, resignation or otherwise shall be filled for the unexpired term in the same manner as the original appointments.

(d) Jury commissioners shall receive as compensation for their services, while necessarily employed, an amount to be fixed by the municipal judge of the court, which amount shall not exceed fifty dollars per day of actual service, which shall be payable out of the city treasury upon orders of the municipal judge.

(e) Before entering upon the discharge of his duties, a jury commissioner shall take and subscribe, before the clerk of the court, who is hereby authorized to administer the same, an oath, to be filed and preserved by him in his office, to the following effect:

"State Of West Virginia,  
County of Greenbrier, to-wit:

I, \_\_\_\_\_, do solemnly swear that I will support the Constitution of the United States of the Constitution of this State and will faithfully discharge the duties of jury commissioner to the best of my skill and judgment, and that I will not place any person upon the jury list in violation of law, or out of fear, favor or affection."

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### (25) JURY LIST--PREPARATION.

The jury commissioners shall annually, at such time as may be designated by order of the court, prepare a list of such inhabitants of city, not exempted or disqualified by law as aforesaid, as they shall think well qualified to serve as jurors, being persons of sound judgment, of good character and free from legal exception, which list shall include not less than one hundred nor more than four hundred persons. The name of no person shall be put on such list who shall have been drawn and who actually served as a petit juror in any court of record within a period of two years prior thereto, or who shall have requested the jury commissioners or either of them, by himself or another person, to have his name placed on such list; and any such person shall be disqualified from serving as a juror for the period of two years from the date of such service or from the time of making such request.

### (26) CUSTODY, STRIKING OFF NAMES.

The list so prepared shall be delivered to the clerk of the court and by him be safely kept. It shall be subject to inspection only by the court, the jury commissioners or the clerk of the court, as hereinafter prescribed. Such court, or the jury commissioners, may strike from such list the name of any person who has been convicted of any scandalous offense or been guilty of any gross immorality, and substitute another in his place.

### (27) PREPARATION AND CUSTODY OF BALLOTS.

At the time such list is made out, the jury commissioners shall also cause all the names upon the same to be fairly written, each on a separate paper or ballot, and shall fold or roll up the ballots so as to resemble each other as nearly as may be and so that the name written thereon shall not be visible on the outside, and shall deposit the ballots in a secure box, to be prepared for the purpose, which shall be known as the "jury box" and shall be safely kept by the clerk of the court, and shall be opened only by the order of the jury commissioners or as hereinafter prescribed.

### (28) SECTION OF TRIAL JURORS.

All jurors required for the trial of cases in the court shall be selected by drawing ballots from the jury box in the manner prescribed in this article, and the persons whose names are written on the ballots so drawn shall be returned to serve as jurors.

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(29) ISSUANCE OF VENIRE FACIAS; NUMBER OF JURORS SUMMONED.

The clerk of the court, at the discretion of the municipal judge, shall, at least fifteen days before any jury may be wanted, issue a venire facias for thirty jurors, unless the court shall order a greater or lesser number, in which event the writ shall issue for such other number. Such writ shall require the attendance of the jurors on such day as the municipal judge may order.

(30) SUMMONS TO JURY COMMISSIONERS--ISSUANCE.

The jurors chosen in accordance with Section 51-29 shall be chosen by the jury commissioners. The clerk of the court shall issue a summons requiring the jury commissioners to attend at the office of the clerk of the court on a day named in such summons, which shall be not less than five days after the issuance of such summons, for the purpose of drawing the ballots for the number of jurors mentioned in such writ.

(31) SAME--SERVICE, DRAWING OF JURORS' NAMES; PREPARATION OF LIST.

The writ of venire facias and summons shall be delivered to the chief of police, or other officer acting in lieu of the chief, who shall serve the summons on the jury commissioners, and it shall be the duty of the jury commissioners to attend on the day designated in the summons at the office of the clerk or the court and, in the presence of the clerk, to draw the proper number of juror's names from the jury box, and to make a list thereof to be delivered to the officers serving the summons.

(32) SPECIAL JURY COMMISSIONERS: DELIVERY OF LIST; SUMMONING OF JURORS.

(a) If either or both of the jury commissioners fail to attend as required by such summons, the clerk of the court shall appoint a special jury commissioner or commissioners, having the qualifications herein required, to act in his or their place and stead for the time being, and such jurors shall be drawn by such commissioners; and it shall be the duty of the clerk of the court to place the list thereof in the hands of the chief of police or other officer authorized to summons them. It shall be the duty of such officer, at least three days before the time when the jurors are required to attend, to summons each person who is drawn to attend the sitting of the court at the time and place mentioned in the writ, and make due return thereof, and of the summons aforesaid, to such court at the opening thereof.

## MUNICIPAL COURT

(b) In addition to any other method provided by law, any person named in the writs of venire facias or a summons for jurors, by direction of the court, may be served by the chief of police mailing a copy thereof to such person commanding him to attend as a juror at a time and place designated therein, which copy shall be registered or certified and deposited in the post office, addressed to such person at his usual post office address. The personal receipt of the person so addressed for such registered or certified copy shall be regarded as personal service of such writ or summons upon such person.

### (33) METHOD OF DRAWING BALLOTS FROM BOX; DESTRUCTION OF BALLOTS.

When jurors' names are to be drawn as aforesaid, the ballots in the jury box shall be shaken and mixed together by one of the jury commissioners and the other jury commissioner shall openly draw therefrom as many ballots (without inspecting the names written on any until the proper number is drawn) as shall be equal to the number of jurors required; and if any person whose names is so drawn is unable by reason of sickness, absence from home or other cause to attend as a juror, his name shall, at the conclusion of such draft, be returned into the box; or if he be exempted by law or his name has been stricken from the jury list, the ballot shall be destroyed and another shall be drawn in its stead.

### (34) ENDORSEMENT ON AND CUSTODY OF BALLOTS DRAWN; NOTATION OF JURORS DRAWN ON JURY LIST.

When any person is drawn and returned to serve as aforesaid, the jury commissioners shall cause to be endorsed on the ballot containing his name the word "drawn", and shall cause it to be placed in another box to be kept for the purpose of custody of the clerk of the court, and opened only as hereinafter prescribed; and the date of the draft shall be entered on the list of jurors opposite the name of the person so drawn.

### (35) WHEN BALLOTS TO BE RETURNED TO JURY BOX.

When all the ballots in the jury box have been destroyed or placed in the box for the ballots, marked "drawn", except such as contain the names of those who, for the reasons aforesaid, are unable to attend, the last-mentioned box shall be opened in the presence of the officers attending to draw jurors, and the ballots therein replaced in the jury box, from which drafts shall thereafter again be made in the manner herein prescribed.

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(36) PENALTY FOR FAILURE OF JURORS TO ATTEND.

If any person duly summoned to attend as a juror shall neglect to attend, without any sufficient excuse, he shall pay a fine not exceeding fifty dollars, which shall be imposed by the municipal court.

(37) DISCHARGE OF JURORS; EXCUSE FROM ATTENDANCE.

The municipal court, when not incompatible with the proper dispatch of its business, shall have power to discharge persons summoned as jurors or dispense with their attendance on any day of its sitting.

(38) COMPETENCY OF JURORS.

No juror shall be deemed incompetent because the city is a party to the matter to be tried and the juror is a resident of such city.

(39) PENALTY FOR FAILURE TO DRAW OR SUMMON JURORS.

When, by neglect of any of the duties required in this article to be performed by any of the officers or persons herein mentioned, the jurors to be returned shall not be duly drawn and summoned to attend the court, any person guilty of such neglect shall pay a fine not exceeding twenty dollars, to be imposed by the court.

(40) COMPENSATION OF JURORS; TAXATION OF JURY FEES AS COST; DISPOSITION OF FEES.

(a) Any person summoned as aforesaid, by virtue of a venire facias or otherwise, to serve as a juror, and actually attending the municipal court at the time summoned, whether he be called to serve as a juror or not, shall, for each day he so attends, be entitled to receive the sum of not more than fifteen dollars, which sum shall include travel expenses and meal allowance. There shall be taxes in the costs against any person against whom a judgment on the verdict of a jury may be rendered in a case, and against any person on whose motion the verdict of a jury is set aside and a new trial granted, a total sufficient to pay the costs of the jury as aforesaid, which, when collected by the clerk from the party, shall be paid to the city treasury. All money so received by the clerk shall be forthwith paid by him to the city treasurer and the clerk and his surety shall be liable therefor on his official bond as for other money coming into his hands by virtue of his office.

## MUNICIPAL COURT

(b) The clerk of the court shall at least annually certify to the city treasurer a list of all money so paid to him and, in addition thereto, a correct list of all the cases in which jury fees have been taxed and are, at the time, properly due and payable in the city treasury.

### (41) WHEN JUROR NOT ENTITLED TO COMPENSATION.

No juror who shall depart without leave of the court shall be entitled to receive any compensation for his services as a juror.

### (42) RECORD OF ALLOWANCE TO JURORS; CERTIFICATION TO CITY TREASURER; FAILURE OF CLERK TO COMPLY WITH PROVISIONS.

The clerk of the court upon which jurors are in attendance shall quarterly, and under the direction of the court, make an entry upon its records, stating separately the amount which each juror is entitled to receive out of the city treasury for his services or attendance during the quarter; and such clerk of the court upon which juries are in attendance, if directed by the court, shall at any time during such period and under the direction of the court make an entry upon its records, stating separately the amount which each juror is entitled to receive out of the city treasury for his services or attendance during the period. It shall be the duty of the clerk, as soon as practicable, to transmit to the treasurer copies of all orders under this section making allowances payable out of the city treasury. Any clerk who shall fail to pay over, as required by law, any monies so received by him or otherwise fail to comply with the provisions of this article shall be deemed guilty of a misdemeanor and fined not less than fifty dollars.

### (43) PAYMENT OF COMPENSATION.

It shall be the duty of the clerk, as soon as practicable after the adjournment of the court, or before the adjournment of the court at such time as the court may direct, to deliver to each juror a certified copy of any order under the preceding section making an allowance to him, payable out of the city treasury; and the treasurer shall, upon demand, pay to such juror the amount allowed to him.

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(44) FRAUD IN SELECTION OF JURORS.

If any person shall be guilty of any fraud, by tampering with the jury box prior to drawing jurors, or in drawing a juror, or in returning into the jury box the name of any person which has lawfully been drawn out and drawing and substituting another instead, or in failing to place such name in the box for the ballots marked "drawn", or in any other way in the drawing of jurors, he shall, on conviction thereof, be punished by a fine not exceeding five hundred dollars.

(45) USE OF TERMS OF GENDER.

The words "he", "him", "himself", "she", "her", or "herself", when used in this article shall, when required by the context thereof, be taken to refer to a male or female person, as the case may be, without regard to gender.

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Commissioner Young introduced the following ordinance and moved its adoption, which motion was seconded by Commissioner Baker on the first reading on Monday, April 5, 1999, and by Commissioner/Mayor Morgan at the second reading on Wednesday, April 14, 1999, the ordinance being in the following words and figures:

### **ORDINANCE**

An ordinance to amend sections 5-21 of the Charter of the City of Ronceverte, West Virginia, which was originally adopted in the year 1919, to change the form of government of the city of Ronceverte.

BE IT ENACTED AND ORDAINED by the Board of Commissioners of the City of Ronceverte that sections 5-21 of the Charter of the City of Ronceverte, West Virginia be amended to read as follows:

### **GOVERNING BODY**

#### **Section 5 (Mayor, Recorder and City Council to be Governing Body and Administrative Authority)**

The governing authority of the city shall be one mayor, one recorder and five city council members, who shall collectively be the governing body and administrative authority of the city of Ronceverte. The mayor, recorder and all members of city council shall be voting members of the governing body and administrative authority.

#### **Section 6 (Corporate Powers Vested in Governing Body)**

All corporate powers of the city of Ronceverte shall be vested in and exercised by the governing body, or under its direction as provided by state and local law.

#### **Section 7 (Eligibility for Elected Office)**

The requirements for election to elected offices in the city of Ronceverte shall be as follows:

- a. At the time of assuming office, the mayor, recorder and city council members must have attained the age of 18 years; and
- b. At the time of becoming a candidate for the office of mayor, recorder or city council, the candidate must be a resident and citizen of the city of Ronceverte and must be eligible to vote in the city election.

**Section 8 (Election, Term, Salary)**

The mayor, recorder and members of city council shall be non-partisan candidates elected by popular vote from the city at large for a term of four years. However, to ensure experience and continuity in city government, the terms of elected officials shall be staggered as follows:

- a. The first mayoral election following the adoption of this ordinance shall be for a term of only two years, with each succeeding mayoral election to be for a term of four years;
- b. The first election for recorder following the adoption of this ordinance, and all succeeding elections, shall be for a term of four years;
- c. The first election for city council following the adoption of this ordinance shall be divided into two seats for two-year terms and three seats for four-year terms. The three candidates who receive the highest number of votes in the first election for city council following the adoption of this ordinance shall serve for four-year terms, along with the recorder. The candidates who receive the fourth and fifth highest number of votes in the first election for city council following the adoption of this ordinance shall serve for two-year terms, along with the mayor. Following the first election for city council after the adoption of this ordinance, all city council seats shall be for a four-year term.
- d. The term of any other elected official, as may be provided by the governing body, beginning with the first election following the adoption of this ordinance and for every succeeding election, shall be for a term of four years.

The salary of the mayor, recorder and members of city council shall be fixed by the governing body by ordinance, and it shall be permitted to change this salary from time to time. However, any change in salary shall not apply to any elected official of the city of Ronceverte until after the next election for his or her respective office after the pay change has taken effect.

**ELECTIONS**

**Section 9 (Elections and Terms of Office)**

All municipal elections for the city of Ronceverte shall be on the first Tuesday in June, in odd numbered years beginning in 1999. However, the city of Ronceverte may hold special elections if approved in a manner consistent with state and municipal law.

Municipal elections for the city of Ronceverte shall be held at voting places within the city that shall be designated by the elected officials of the city. Elections shall be supervised by the

elected officials of the city, and their designated representatives, and elections shall be conducted, certified, returned and finally determined in accordance with state and municipal law.

All persons elected to the offices of mayor, recorder, city council, or any other elected position that may be created by the governing body, shall assume his or her respective office on the first day of July immediately following his or her election. No person may assume the duties of his or her office until he or she has taken the oath of office required by the law of the state of West Virginia and the city of Ronceverte. The oath of office shall be administered by the municipal judge or any other official designated by the governing body.

If any elected office in the city of Ronceverte becomes vacant by reason of death, resignation, disability or other removal of the person holding that office, the remaining members of the governing body shall meet to elect a replacement for that office. Such meeting of the governing body shall be conducted within 30 days of the vacancy. If the person who vacates the office has 27 months or fewer remaining on his or her term following vacancy, the person elected to fill that vacancy by the remaining members of the governing body shall serve out the remainder of the term. If the person who vacates the office has more than 27 months remaining on his or her term following vacancy, the person elected to fill that vacancy by the remaining members of the governing body shall serve only until the next regular municipal election, when a special election shall be held to fill the vacancy.

#### **Section 10 (Conduct of Elections)**

Municipal elections shall be conducted as follows:

- a. **Eligibility of Voters:** Every person who meets the following criteria may vote in a municipal election for the city of Ronceverte:
  - (1) Must be a bona fide resident of the city of Ronceverte for six months next preceding an election in the city. A person who is residing within the city limits for any temporary purpose and who expects to relocate from the city upon accomplishing that purpose is not a bona fide resident;
  - (2) Must be legally qualified to vote pursuant to the law of the state of West Virginia;
  - (3) Must be registered to vote in the city of Ronceverte pursuant to municipal ordinance adopted by the city.
- b. **Candidacy Procedure:** Any eligible person, as otherwise provided in this Charter, may become a candidate for an elected position in the city of Ronceverte by filing a candidacy announcement on a form that shall be provided by the city, and paying

the filing fee that shall be established by the city. The filing period for all elected offices in the city of Ronceverte shall begin on the first Tuesday in March and end on the first Tuesday in April of the year in which a municipal election is conducted, except that the first filing period after the adoption of this ordinance shall end on Monday, April 26, 1999. The filing period may be altered by the governing body of the city of Ronceverte by ordinance for special elections.

- c. **Publishing of Ballots:** All municipal ballots shall be worded in a manner that is approved by the governing body, except that the order of candidates names on the ballots shall be determined by a random drawing in accordance with the law of the state of West Virginia. Such drawing shall be conducted by the city clerk, and all candidates shall have the right to be present when the drawing is conducted.
- d. **Sample Ballots:** An identical facsimile of the ballot that will be used in all elections, bearing the names of all candidates in the order determined by random drawing, shall be published in accordance with West Virginia law governing the publication of ballots for general elections. The sample ballot shall be certified by the city clerk as being an identical facsimile of the ballot that will be used in the election.
- e. **Manner of Voting:** Due to the staggering of seats for city council, all five seats will never be up for election at the same time except for the first election following the adoption of this ordinance. At the first election, voters may vote for no more than five candidates for city council. After the first election, voters may vote for no more persons for city council than the number of seats available.

At the first election following the adoption of this ordinance, and at all subsequent elections, voters may vote for no more than one candidate for mayor, recorder or any other elected office that may be established by the governing body, except city council.

The ballot shall clearly state the maximum number of candidates that the voters may choose for a particular office, but nothing shall preclude a voter from voting for fewer than the maximum number of candidates.

A valid ballot shall be one in which the voter clearly expresses his or her choice or choices for the various offices. If a voter votes for more candidates for an office than the maximum number that is clearly stated on the ballot, his or her ballot shall be void. If a ballot is voided, the official in charge of the election shall mark "VOID" on the ballot, in addition to the reason for voiding the ballot. The total number of voided ballots shall be reported to the governing body.

In elections for all offices, the candidate or candidates with the highest number of votes received shall be elected. In the event of a tie for any office, the winner shall be selected by a random drawing by the city clerk.

**Section 11 (Appointment of Officers)**

By majority vote of the governing body, the city of Ronceverte may appoint the following officials:

- a. a municipal judge;
- b. a municipal attorney;
- c. a city manager;
- d. a city treasurer;
- e. a city clerk;
- f. a police chief;
- g. a fire chief;
- h. a street commissioner;
- i. a housing commissioner;
- j. a public utilities commissioner; and
- k. such other officials and employees as the governing body deems necessary and is provided for by ordinance.

Each of these appointed officials shall hold office at the will and pleasure of the governing body, and may be removed from their positions for any reason permitted by law. Their duties shall be prescribed by the governing body by ordinance. The governing body shall fix the salaries and compensation of all appointed officials and their employees. The governing body may delegate its authority to fix the compensation of city employees to the appointed official supervising those employees, within a budget fixed by the governing body.

**Section 12 (Election Officers)**

At least four weeks before the day of a municipal election, the governing body shall appoint from among the qualified voters of the city for their respective voting precincts such election officers as are provided for by the law of the state of West Virginia.

At least four weeks before the day of a municipal election, the governing body shall appoint from among the qualified voters of the city two ballot commissioners. These ballot commissioners, along with the city clerk, shall constitute the board of ballot commissioners. The city clerk shall serve as chairperson of the board.

Elections in the city of Ronceverte shall be conducted in the manner prescribed by the law of the state of West Virginia and the city of Ronceverte. All penalties for election misconduct and crimes that are provided by state law shall apply to the city of Ronceverte.

The election duties required of the county clerk and circuit clerk pursuant to the law of the state of West Virginia shall be performed by the city clerk of the city of Ronceverte with regard to municipal elections. The election duties required of the county commission pursuant to the law of the state of West Virginia shall be performed by the governing body of the city of Ronceverte with regard to municipal elections. The election duties required of the county sheriff pursuant to the law of the state of West Virginia shall be performed by the chief of police with regard to municipal elections.

No elected official in the city of Ronceverte may be involved in counting ballots, canvassing returns or supervising any election in which he or she is a candidate.

The governing body may by ordinance provide additional regulations regarding elections that are not inconsistent with the law of the state of West Virginia.

**DUTIES OF ELECTED OFFICIALS**

**Section 13 (Authority of the Governing Body)**

The city of Ronceverte intends its municipal government to be like that contemplated by Plan I (Mayor-Council Plan) of West Virginia Code section 8-3-2 (1985). As such, the city of Ronceverte intends its mayor, recorder and five city council persons to have relatively equal governing and administrative authority, except as is otherwise provided by the law of the state of West Virginia, this Charter, or Ronceverte municipal ordinance. The mayor, recorder and all five council persons shall be voting members of the governing body.

**Section 14 (Duties of Mayor)**

The duties of the mayor of the city of Ronceverte include the following:

- a. The mayor shall preside over the governing body;
- b. The mayor shall be the official leader of the city of Ronceverte for all ceremonial purposes;
- c. The mayor shall be the party upon whom civil process is served and upon whom the governor calls for military purposes;
- d. The mayor shall have the responsibility to see that all orders, bylaws, ordinances, acts, resolutions, rules and regulations of the governing body are faithfully executed;
- e. The mayor shall have control of the police department, with the sole authority to hire and fire officers in a manner not inconsistent with the law of the state of West Virginia;
- f. The mayor shall have the responsibility to ensure that the peace and good order of the municipality are preserved; and
- g. The mayor shall have all other authority and duties that are vested upon him or her by the law of the state of West Virginia or the city of Ronceverte.

**Section 15 (Duties of Recorder)**

The recorder shall record the minutes of all meetings. If he or she is not present at a meeting, the mayor shall appoint a member of the city council to act in the recorder's place. The recorder, or acting recorder, may delegate the duties of actually recording the minutes to the city clerk, but the recorder, or acting recorder, must certify that the minutes are accurate.

The recorder shall have charge of and preserve the records of the city of Ronceverte, including the city journal.

The recorder shall perform the duties of mayor of the city of Ronceverte whenever the mayor is absent or unable to perform his or her duties.

The recorder shall have all other authority and duties that are vested upon him or her by the law of the state of West Virginia and the city of Ronceverte.

**Section 16 (Duties of Members of City Council)**

The members of city council shall have legislative authority for the city of Ronceverte, along with the mayor and recorder, and shall exercise such authority by ordinance. The members of city council shall also have administrative authority for the city of Ronceverte, along with the mayor and recorder, and shall exercise that authority by act, order, regulation or rule by majority vote on issues that are not the exclusive province of the mayor or recorder. The members of city council shall have all other authority and duties that are vested upon them by the law of the state of West Virginia and the city of Ronceverte.

**Section 17 (Meetings of the Governing Body)**

The mayor shall preside over the governing body. If he or she is not present, the recorder shall act in his or her place. Any meeting conducted without the presence of the mayor or recorder is void.

A majority of the governing body, to include either the mayor or the recorder, must be present at all meetings to constitute a quorum. Any act taken by the governing body without a quorum is void.

The governing body shall meet in the municipal building on the first Monday of each month, and on any other day called by a majority of the governing body. At least one meeting shall be conducted each month.

**Section 18 (City Journal)**

A city journal shall be kept and made available for inspection by the public during normal business hours. The city journal shall contain a current and well-kept record of all proceedings, bylaws, ordinances, orders, and resolutions.

**Section 19 (Additional Powers)**

The governing body shall grant franchises, levy and collect taxes and assessments, order payment of approved accounts, hear and determine charges against all officials of the city other than members of its own body, require that the laws and ordinances of the city of Ronceverte be obeyed and enforced, cause the affairs of the city to be efficiently and economically administered, and perform such other duties as are properly its to perform.

**Section 20 (Conflicts of Interest)**

No elected official of the city of Ronceverte shall vote upon, or in any way participate in, the consideration of any proposition in which he or she is or may become interested, other than the normal interest of a resident of the city.

If any elected official of the city of Ronceverte is financially interested, directly or indirectly, in any contract, sale or transaction to which the city is a party, he or she shall fully disclose that financial interest to the other members of the governing body and shall abstain from voting or participating in any manner in the decision to approve that financial transaction.

Any elected official who violates this section shall be subject to forfeit his or her office upon the vote of two-thirds of the remaining members of the governing body.

**Section 21 (Action as Surety Prohibited)**

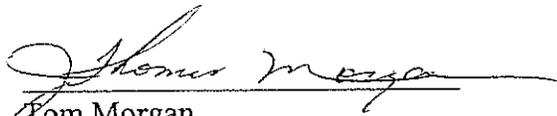
No elected official of the city of Ronceverte shall be surety on any bond given to or for the benefit of the city.

We, the undersigned Commissioners for the city of Ronceverte, state of West Virginia, do hereby certify that the foregoing ordinance was duly passed and adopted by the Board of Commissioners of the city of Ronceverte, and that the proposed ordinance was read verbatim at one meeting and by title at a subsequent meeting of the Board of Commissioners with at least one (1) week intervening between each meeting, the publication requirements have been met, and that the ordinance is now in full force and effect.

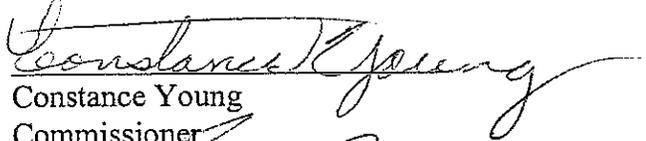
Passed First Reading: Monday, April 5, 1999

Passed Second Reading: Wednesday, April 14, 1999

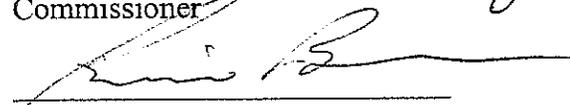
Adopted: Wednesday, April 14, 1999



Tom Morgan  
Commissioner/Mayor



Constance Young  
Commissioner



Ronnie Baker  
Commissioner

## RONCEVERTE CITY COUNCIL

### 01 - NOTICE AND CONDUCT OF MEETINGS

#### 01-1 General

- 1.1 Scope - This procedural policy establishes requirements for notice of meetings and general rules for conduct of said meetings of the Ronceverte City Council hereafter referred to as "City Council".
- 1.2 Authority - WV Code S6-9A-1, et seq.
- 1.3 Filing Date - February \_\_, 2004
- 1.4 Effective Date - ~~April~~ <sup>MAR.</sup> 8, 2004

#### 01-2 Preface.

- 2.1 The West Virginia Legislature has provided in Article 9A of Chapter 6 of the West Virginia Code that all regular and special meetings of governing bodies shall be open to the people of the State and that the people shall be given reasonable advance notice of the time, date, and location of such meetings being convened, provided, however, that governing bodies may hold executive sessions as part of the duly convened regular or special meetings under certain circumstances as permitted by law;
- 2.2 The Legislature has provided in Section 3, Article 9A, Chapter 6 of the West Virginia Code that:

Each governing body shall promulgate rules by which the date, time, and agenda of all regularly scheduled meetings and the time, place, and purpose of all special meetings are made available, in advance, to the public and news media, except in the event of an emergency requiring immediate official attention.

#### 01-3 Notice of Meetings.

- 3.1 The City Council shall meet at the Ronceverte City Hall, Council Chambers at 200 W. Main Street, Ronceverte, WV, 24970, or at such other locations as the City Council may from time to time deem necessary.
- 3.2 Regular Meetings - Notice of regularly scheduled meetings shall be posted by the City Council on the bulletin board at City Hall. Regular council meetings will be held on the first monday of each month except for December, which will be held on the second monday. Regular meetings will be held at City Hall Council Chambers at 7:00 PM. The agenda of each meeting shall be posted on the bulletin board at City Hall at least three days prior to the date of the meeting. Meeting notices and agendas shall be delivered to the local public news media at least three days prior to the date of the meeting. The three-day period will exclude the day of the meeting,

along with Saturdays, Sundays, and legal holidays. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at said City Hall location as soon as feasible after such cancellation or postponement has been determined.

- 3.3 Special Meetings - The notice of any special meeting shall be posted by the City Council on the bulletin board at City Hall not less than three days before a specially scheduled meeting is to be held, stating the date, time, place, and purpose for which such special meeting shall be held. Meeting notices and agendas shall be delivered to the public news media at least three days prior to the date of the meeting. The three-day period will exclude the day of the meeting, along with Saturdays, Sundays, and legal holidays. If the special meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at said City Hall location as soon as feasible after such cancellation or postponement has been determined.

#### 01-4. Conduct of Meetings.

- 4.1 Presentations - Persons desiring to place an item on the City Council's agenda must make a written request to the Mayor not less than ten (10) days prior to the date of the meeting. Persons desiring to address the City Council are encouraged to make arrangements in advance with the Mayor's office. However, advance arrangements are not necessary as such persons may sign in prior to the scheduled commencement of any regular or special meeting. Persons having signed in and wishing to address the Council on non-agenda items will be allowed to do so under the Public Comments section once the Mayor recognizes him/her. Speakers must provide his/her name, and the subject to be addressed. No official action may be taken on a Public Comments subject matter until it can be presented as an agenda item at the next subsequent meeting. Presentations shall be limited to five (5) minutes, unless otherwise designated by the Mayor. Delegations are encouraged to use a spokesperson to present their concerns for proposals.
- 4.2 Attendance - In the event that there is not room enough to conduct a scheduled meeting due to the number of members of the public that wish to attend, a scheduled meeting can be moved to accommodate all those wishing to attend upon proper motion by any member of the City Council. Upon proper motion by a member of the City Council any scheduled meeting may be recessed and reconvened at a later date and time in the event that facilities are not readily available to accommodate the members of the public wishing to attend the meeting.
- 4.3 Conduct - The Mayor can remove any member of the public attending a scheduled meeting of the City Council that is disruptive, to the extent that orderly conduct of the meeting is compromised, from the meeting with the assistance of a member of the Police Department upon proper direction.
- 4.4 Executive Sessions - If authorized by one of the exceptions in WV Code 9-6A-4, the City Council may hold an executive session during any regular or special meeting. During the open portion of a meeting, prior

to convening an executive session, the Mayor shall identify the authorization for conducting an executive session and shall present it to the members of the public present at the meeting. An executive session shall only be held upon a majority affirmative vote of the members of the City Council present and no decision shall be made in executive session.

- 4.5 Media Broadcasts - The City Council shall allow the placement and use of equipment necessary for broadcasting, photographing, filming, or recording a scheduled meeting. The equipment shall be placed or used within the meeting room so as to prevent undue interference with the meeting. In the event that the Mayor determines that the size of the meeting room is not sufficient to accommodate all the members of the public present and the equipment and personnel necessary for broadcasting, photographing, filming and tape recording in the meeting room without unduly interfering with the meeting, the Mayor may require the pooling of the equipment and personnel operating the equipment.

#### 01-5. Minutes.

- 5.1 Written minutes of all meetings of the City Council shall be prepared and maintained and shall be available to all members of the public after being approved at the following regularly scheduled meeting, and shall include, at least, the following:
- (1) The date, time, and place of the meeting;
  - (2) The name of each member of the City Council present and absent;
  - (3) All motions, proposals, resolutions, orders, and measures proposed, the name of the person proposing the same and their disposition;
  - (4) The results of all votes and, upon the request of a member, pursuant to the rules, policies, or procedures of the City Council for recording roll call votes, the vote of each member, by name;
- 5.2 A draft copy of the minutes, clearly marked, shall be open to the inspection of any member of the public, within ten working days after the meeting, at the City Hall Administration Office.

March 8, 2004

Meeting called to Order by Mayor Nancy Murdick.

Those in attendance were Bill Rose, Bev Boswell, Mayor Murdick, and Gail White. Absent were Kenneth Hayes, Roger Griffith and Michael Palm.

Approval of the minutes were dismissed due to Recorder Hayes absent and Council not having enough time to review October 6, 2003, November 3, 2003 and December 8, 2003.

At the March 1, 2004, a motion was left on the floor regarding Preparation of Request for Assistance in the designing for downtown revitalization. Roger Griffith had moved to direct Jerry Calhoun to investigate getting ~~proposals~~ <sup>RFP</sup> ready for the April meeting. Bev Boswell had seconded. Motion carried.

Mayor Murdick moved to adjourn into Executive Session. Gail White seconded, motion carried.

Executive Session

Mayor Murdick called meeting back to order.

Gail White moved to approve the appointment of a special committee to investigate the allegations of several Town employees against City Recorder Kenneth Hayes. Three people having been recommended and accepted are Bill Rose, Rick Lorensen and Virginia Blake. This committee shall be given time to conduct the investigation, hear testimony, ascertain the facts and develop recommendations and conclusions for Council. Bev Boswell seconded, Motion carried with Bill Rose abstaining.

Gail White moved for the approval and accepting of the "Notice and Conduct of Meeting" Policy to update any and all past policies. Bev Boswell seconded. Discussion, Bill Rose asked if this was taken from the State Code. Mayor Murdick said it was recommended by the WV Ethics Commission and follows the open governmental procedures act. Bev Boswell seconded. Motion passed.

Jerry Calhoun spoke for Cindy Henthorn regarding the Easter Egg Hunt. She is asking for \$500.00 and insurance coverage from the City's policy. Mayor Murdick moved to donate the \$500.00 and provide the insurance coverage. Mr. Calhoun also requested it be included in next year's budget. Bev Boswell seconded, motion carried.

Mayor Murdick read a Resolution Requesting Funds from the Department of Transportation, Division of Highways. The City has applied for a grant of \$175,000.00 to construct sidewalks and other related work on Main Street, Frankford Road and Walker Street. Total cost of the project is \$218,750. The City is responsible for paying \$43,750 on the project.

The budget revisions which were addressed at the last Council meeting were discussed. Mr. Calhoun said May and June will be in the budget for the cemetery care and that some money may be left for some of the repair work needed. Gail White moved to approve the budget revision with Bill Rose seconded. Motion carried.

Council Comment:

Jerry Calhoun stated that the water rate will go into effect May 1, 2004 with an increase of 40.2% as directed by the Public Service Commission. He also stated that the burned houses on Monroe Avenue are on hold because Mrs. Wright said her attorney wanted to wait before anything was done.

Bill Rose questioned that some employees were not getting enough pay and said he was told some had not received a raise in 3 years. Mr. Calhoun advised Council that all employees get yearly raises.

No further discussions.

Bill Rose moved to adjourn and Bev Boswell seconded. Motion carried.

*Nancy A. Murdick, Mayor*  
*Jerry W. Calhoun, City Admin.*



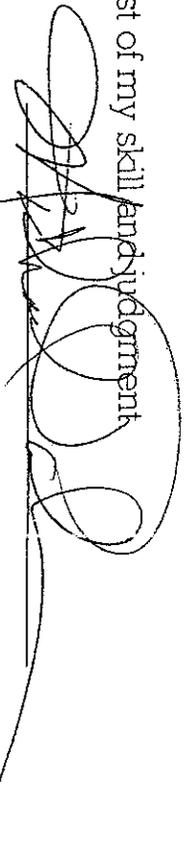
STATE OF WEST VIRGINIA  
TOWN OF RONCEVERTE

OATH OF OFFICE

I, Michael Palm, do solemnly swear that I

will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully and impartially perform the duties of the office of Councilman for the Town of Ronceverte so long

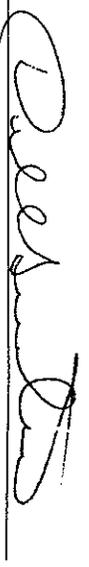
as I shall continue therein to the best of my skill and judgment



Subscribed and sworn to before me by Dallas E. Sweepston

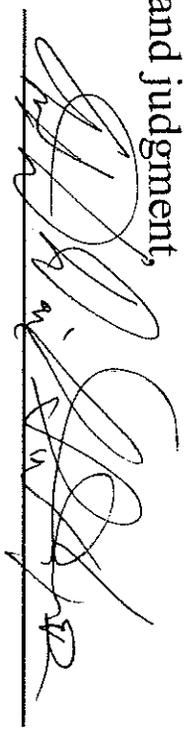
Michael Palm

this 10<sup>th</sup> day of Sept. 2000



**STATE OF WEST VIRGINIA  
CITY OF RONCEVERTE  
OATH OF OFFICE**

I, David Smith, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully and impartially perform the duties of the office of City Council Member for the City of Ronceverte so long as I shall continue therein to the best of my skill and judgment,



Subscribed and sworn to before me by Mayor Gail White

This 1st day of May, 2006

Mayor Gail White

STATE OF WEST VIRGINIA  
CITY OF RONCEVERTE  
OATH OF OFFICE

I, BARBARA MORGAN, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully and impartially perform the duties of the office of City Council Member for the City of Ronceverte so long as I shall continue therein to the best of my skill and judgment,

Barbara Morgan

Subscribed and sworn to before me by Mayor Gail White

This 7th day of May, 2007 Gail White

STATE OF WEST VIRGINIA  
TOWN OF RONCEVERTE

OATH OF OFFICE

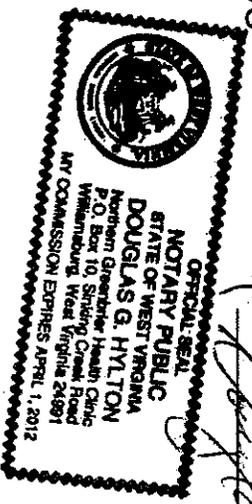
I, Christianna Boothe do solemnly swear that I will support the  
Constitution of the United States and the Constitution of the State of  
West Virginia, and that I will faithfully and impartially perform the duties of  
the office of City Council Member for the City of Ronceverte so long as I shall  
continue therein to the best of my skill and judgment,

*Christianna M Boothe*

Subscribed and sworn to before me by Christianna M Boothe

This 1st day of July, 2005

*Douglas G. Hylton*



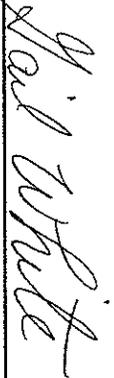
**STATE OF WEST VIRGINIA  
CITY OF RONCEVERTE  
OATH OF OFFICE**

I, ROBERT B BARKER, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully and impartially perform the duties of the office of City Council Member for the City of Ronceverte so long as I shall continue therein to the best of my skill and judgment,



Subscribed and sworn to before me by Mayor Gail White

This 1st day of October, 2007



STATE OF WEST VIRGINIA  
CITY OF RONCEVERTE  
OATH OF OFFICE

I, Janine E. Johnson do solemnly swear that I will support the  
Constitution of the United States and the Constitution of the State of  
West Virginia, and that I will faithfully and impartially perform the duties of  
the office of City Recorder for the City of Ronceverte so long as I shall  
continue therein to the best of my skill and judgment,

Janine E. Johnson  
Subscribed and sworn to before me by Mayor Gail White

This 10th day of September, 2007

Gail White

STATE OF WEST VIRGINIA  
TOWN OF RONCEVERTE

OATH OF OFFICE

I, Gail Lomer White do solemnly swear that I will support the  
Constitution of the United States and the Constitution of the State of  
West Virginia, and that I will faithfully and impartially perform the duties of  
the office of Mayor for the City of Ronceverte so long as I shall continue  
therein to the best of my skill and judgment,

*Gail Lomer White*

Subscribed and sworn to before me by GAIL LOMER WHITE

*Douglas G. Hyllton*

This 1st day of July, 2005





TOWN OF RONCEVERTE, WEST VIRGINIA

Ordinance Number 2007-07

AN ORDINANCE ESTABLISHING WATER RATES  
FOR THE TOWN OF RONCEVERTE, WEST VIRGINIA.

Whereas, the increased cost of operating the Town of Ronceverte, West Virginia's (hereinafter referred to as "Town") water distribution system requires an increase in the water rates charged to users; and,

Whereas, the increased cost of operating the water treatment plant requires an increase in the water rates charged to users; and,

Whereas, the Town is organized and established under the provisions of § 8-12-5 subdivision (32), and other provisions of the West Virginia Code, for the purpose of operating a water treatment and water supply distribution system serving water users within the boundaries of the municipality and water users who are not within the boundaries of the municipality, but are being served by Town; and,

Whereas, the Town has determined that the Town's water treatment facility cannot meet the needs of its water users economically and efficiently; and intends to discontinue its water treatment plant; and, to accomplish this purpose, the Town will require a supply of treated water; and,

Whereas, the Town has negotiated to purchase water from the City of Lewisburg; and,

Whereas, the last water rate increase for the Town of Ronceverte was approved by the Public Service Commission of West Virginia on March 3, 2004 has been inadequate to ensure water fund solvency; and,

Whereas, the Ronceverte Town Council has approved the \$3.5 million Ronceverte Water System Improvement and Upgrade Project consisting of a \$1.5 million grant and a \$2 million loan, and,

Whereas, the last water rate increase for the Town of Ronceverte was approved by the Public Service Commission of West Virginia on March 3, 2004 is inadequate to ensure water fund solvency to required repay the \$2 million debt as part of the Ronceverte Water System Improvement and Upgrade Project; and,

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF RONCEVERTE, WEST VIRGINIA, THAT:**

The following water rates listed below shall be effective as soon as possible, but no sooner than forty five days after final adoption and in accordance with West Virginia State Code and Public Service Commission of West Virginia Rules:

(C) APPLICABILITY

Applicable within the entire territory or area served

AVAILABILITY:

Available for general domestic, commercial, and industrial water service

(I) METERED RATE

|          |                              |                           |
|----------|------------------------------|---------------------------|
| First    | 1,000 gallons used per month | \$10.88 per 1,000 gallons |
| All over | 1,000 gallons used per month | \$7.04 per 1,000 gallons  |

(I) MINIMUM CHARGE

The above schedule is subject to a monthly minimum charge based on the size of the meter as follows:

|                             |          |
|-----------------------------|----------|
| 5/8 inch meter or smaller   | \$10.88  |
| 3/4 inch meter or smaller   | \$16.32  |
| 1 inch meter or smaller     | \$27.20  |
| 1-1/4 inch meter or smaller | \$39.72  |
| 1-1/2 inch meter or smaller | \$54.40  |
| 2 inch meter or smaller     | \$87.05  |
| 3 inch meter or smaller     | \$162.48 |
| 4 inch meter or smaller     | \$272.02 |
| 6 inch meter or smaller     | \$544.04 |
| 8 inch meter or smaller     | \$870.46 |

DELAYED PAYMENT PENALTY

The above schedule is net. On all current usage billings not paid within twenty (20) days after date of billing, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

(C) RECONNECTION CHARGE

Service shall not be resorted until all amounts in arrears, including penalties plus a reconnection fee of \$20 have been paid.

(I) TAP FEE

The general charge for making each service connection 3/4 inch or smaller shall be \$350.00 to make an ordinary connection to the water system.

Larger than 3/4 inch shall be the greater of \$350.00 or the actual cost of the installation as determined solely by the Town of Ronceverte.

(N) RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the Town up to a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

(C) PAYMENT TO WATER PERSONNEL

When water service personnel are dispatched to terminate service for a delinquent bill, a \$15.00 administrative service charge will be added for attempted collection at door if water service is not terminated.

(C) METER TESTING

A customer may request the customer's water meter to be tested if done so in writing, and upon paying a ten dollar (\$10.00) deposit. The test will be run in accordance with Public Service Commission rules and regulations.

(I,C) LEAK ADJUSTMENT

\$0.43 per \$1,000 gallons. To be used where 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 consumption above customer's historical average usage.

(I,C) SECURITY DEPOSIT

Not to exceed two-twelfth (2/12th) of the annual estimated charge for residential service, one sixth (1/6th) of the annual estimated charge for commercial service, or fifty dollars (\$50.00) whichever is greater.

- (C) Indicates change in text
- (I) Indicates increase in rates
- (N) Indicates new

The following water rates listed below shall be effective upon substantial completion of the Ronceverte Water System Improvement and Upgrade Project, but no sooner than forty five days after final adoption and in accordance with West Virginia State Code and Public Service Commission of West Virginia Rules:

(C) APPLICABILITY

Applicable within the entire territory or area served

AVAILABILITY:

Available for general domestic, commercial, and industrial water service

(I) METERED RATE

First 1,000 gallons used per month \$13.98 per 1,000 gallons  
All over 1,000 gallons used per month \$9.04 per 1,000 gallons

(I) MINIMUM CHARGE

The above schedule is subject to a monthly minimum charge based on the size of the meter as follows:

|                             |            |
|-----------------------------|------------|
| 5/8 inch meter or smaller   | \$13.98    |
| 3/4 inch meter or smaller   | \$20.96    |
| 1 inch meter or smaller     | \$34.94    |
| 1-1/4 inch meter or smaller | \$51.01    |
| 1-1/2 inch meter or smaller | \$69.88    |
| 2 inch meter or smaller     | \$111.81   |
| 3 inch meter or smaller     | \$209.64   |
| 4 inch meter or smaller     | \$349.41   |
| 6 inch meter or smaller     | \$698.81   |
| 8 inch meter or smaller     | \$1,118.10 |

(C) DELAYED PAYMENT PENALTY

The above schedule is net. On all current usage billings not paid within twenty (20) days after date of billing, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

(I) RECONNECTION CHARGE

Service shall not be resorted until all amounts in arrears, including penalties plus a reconnection fee of \$25 have been paid.

(I) TAP FEE

The general charge for making each service connection 3/4 inch or smaller shall be \$500.00 to make an ordinary connection to the water system.

Larger than 3/4 inch shall be the greater of \$500.00 or the actual cost of the installation as determined solely by the Town of Ronceverte.

(N) RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the Town up to a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

(N) PAYMENT TO WATER PERSONNEL

When water service personnel are dispatched to terminate service for a delinquent bill, a \$15.00 administrative service charge will be added for attempted collection at door if water service is not terminated.

(C) METER TESTING

A customer may request the customer's water meter to be tested if done so in writing, and upon paying a ten dollar (\$10.00) deposit. The test will be run in accordance with Public Service Commission rules and regulations.

(I,C) LEAK ADJUSTMENT

\$2.72 per \$1,000 gallons. To be used where 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 consumption above customer's historical average usage.

(I) SECURITY DEPOSIT

Not to exceed two-twelfth (2/12th) of the annual estimated charge for residential service, one sixth (1/6th) of the annual estimated charge for commercial service, or fifty dollars (\$50.00) whichever is greater.

- (C) Indicates change in text
- (I) Indicates increase in rates
- (N) Indicates new

Date of First Reading: July 2, 2007

Passed  Failed  by Vote of Yes 7 No 0

Abstain 0 Absent 0

Attest by

Neil White

Mayor

[Signature]  
City Recorder

Date of Second Reading: 8-06-07

Passed  Failed  by Vote of Yes 7 No 0

Abstain  Absent

Attest by

Gail White

Mayor



City Recorder



**City of Ronceverte, West Virginia**  
**Minutes of the Ronceverte City Council Meeting**  
**Monday, July 2, 2007**

Present: Councilwoman Jan Johnson, Councilwoman Barbara Morgan, Councilman Michael Palm, Councilman David Smith, Recorder Chris Ratliff, and Mayor Gail White

Absent: Councilwoman Christie Boothe

Mayor Gail White called Council to order at 6:58 PM.

**Approval of Minutes:**

Councilman Palm made a motion to approve the minutes, as read, for June 4, 2007, June 11, 2007, and June 13, 2007.

The motion was given a second by Councilwoman Johnson.

The vote was six for and one absent. The motion carried.

**Citizens Comments:**

No citizen comments were received.

**Water System Improvements and Upgrade Project:**

Councilwoman Boothe arrived at 7:02 p.m.

Administrator Oborn explained that the Rule 42 Financial Analysis is completed. He stated that he is working on the required property and right-of-way acquisition and has enclosed an up-to-date status report. Administrator Oborn also explained that Requisition No. Sixteen was ready for Council review.

Councilman Smith made a motion to approve Ronceverte Water System Improvements and Upgrade Project Requisition Number Sixteen authorizing payment of a total of \$2,097.83 in payments and authorize the Mayor to sign the required request letter and financial report.

The motion was given a second by Councilman Palm.

The vote was unanimous. The motion carried.

✓ **1<sup>st</sup> Reading – Water Rate Increase Ordinance:**

Administrator Oborn gave Council an overview of the Rule 42 Financial Analysis. The report shows that a 49% water rate increase is needed as part of the water project. The report also shows that an immediate increase of 16% is needed to ensure water fund solvency and begin repaying the loan from the Sewer Fund. Failure to act could result in the takeover of the City's water system. The Administrator explained five possible scenarios for the water increase.

Councilman Palm made a motion to dispense with the Reading of Ordinance 2007-07 and approve by title only.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

Councilman Smith made a motion to approve the 1<sup>st</sup> Reading of Ordinance 2007-07, Water Rate Increase Ordinance; "AN ORDINANCE ESTABLISHING WATER RATES FOR THE TOWN OF RONCEVERTE, WEST VIRGINIA".

The motion was given a second by Councilwoman Morgan.

The vote was unanimous. The motion carried.

#### **Various Committee Appointments:**

Administrator Oborn explained that we still have vacancies in certain committees.

Councilman Smith made a motion to appoint Councilwoman Johnson to the Cemetery Board of Trustees to a five year term.

The motion was given a second by Councilwoman Morgan.

The vote was unanimous. The motion carried.

Mayor White made a motion to appoint Mike Smith to the Ronceverte Planning Commission.

The motion was given a second by Recorder Ratliff.

The vote was unanimous. The motion carried.

Councilman Palm made a motion to appoint Councilwoman Morgan to the Zoning Appeals Board.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

Councilman Palm made a motion to amend last motion to appoint Councilman Morgan subject to verification.

The motion was given a second by Mayor White.

The vote was unanimous. The motion carried.

Councilman Smith made a motion to appoint Councilmen Palm to the City Tree Board.

The motion was given a second by Mayor White.

The vote was unanimous. The motion carried.

#### **Property Transfer to the Building Commission:**

Administrator Oborn gave an overview of the building commission and the advantages to transfer property. The Commission will provide flexibility to manage excess property.

Councilman Palm made a motion to approve the transfer of the old high school, the Duck Building, the Clifford Armory, and two vacant lots on the corner of Spring Street and Ronceverte Avenue and Spring Street and Pocahontas Avenue.

The motion was given a second by Recorder Ratliff.  
The vote was unanimous. The motion carried.

### **2<sup>nd</sup> Reading – Sewer Rate Change Ordinance:**

Mayor White opened the public hearing and then closed the hearing with no comments

Councilman Palm made a motion to approve Ordinance 2007-06 by title only.  
The motion was given a second by Mayor White.  
The vote was six for and one against. The motion carried.

Councilman Palm made a motion to approve Ordinance 2007-06, Sewer Rate increase Ordinance; “AN ORDINANCE ESTABLISHING SEWER RATES FOR THE TOWN OF RONCEVERTE, WEST VIRGINIA”.  
The motion was given a second by Councilwoman Morgan.  
The vote was six for and one against. The motion carried.

### **2<sup>nd</sup> Reading – Allegheny Power Franchise Ordinance:**

Administrator Oborn requested that the public hearing be held but asked for a continuance on Council action.

Mayor White opened and then closed the Public Hearing with no comments.

Recorder Ratliff made a motion to postpone action on Ordinance 2007-05.  
The motion was given a second by Councilman Smith.  
The vote was unanimous. The motion carried.

### **School Speed Zone Request on Greenbrier Avenue by the New Greenbrier Preschool:**

Administrator Oborn explained that the New Greenbrier Preschool has requested the designation of a 2 block area of Greenbrier Ave. to be a School Zone. The Planning Commission recommended that only the 1 block of Greenbrier Ave. be designated.

Councilman Smith made a motion to designate the 1 block area of Greenbrier Avenue between Locust and Spruce Street as a School Zone.  
The motion was given a second by Recorder Ratliff.  
The vote was unanimous. The motion carried.

### **2007-2008 Budgets for Water, Sewer, and Garbage Funds:**

Administrator Oborn gave an overview of the Budgets for the Water, Sewer and Garbage Funds.  
Questions were fielded.

Mayor White made a motion to approve the 2007-2008 Budgets for Water, Sewer and Garbage Funds.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

**Executive Session:**

Councilman Palm made a motion to go into Executive Session.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

Executive Session lasted from 8:31 to 9:50 p.m.

Recorder Ratliff made a motion to exit Executive Session and return to Regular Session.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

**Property Acquisitions:**

Councilman Palm made a motion to give the City Administrator the authority to negotiate required property and right-of-way acquisitions subject to review by the Finance Committee.

The motion was given a second by Recorder Ratliff.

The vote was unanimous. The motion carried.

**Resolutions & Agreements Regarding Greenbrier Public Service District No. 1:**

Recorder Ratliff made a motion to approve Resolution 2007-09, "A RESOLUTION APPROVING THE WSTEWATER TREATMENT AGREEMENT BETWEEN THE TOWN OF RONCEVERTE, WEST VIRGINIA AND GREENBRIER COUNTY PUBLIC SERVICE DISTRICT NUMBER 1".

The motion was given a second by Councilwoman Johnson.

The vote was unanimous. The motion carried.

Recorder Ratliff made a motion to approve Resolution 2007-10. "A RESOLUTION APPROVING THE WATER SERVICE TERMINATION AND RECONNECTION OF WATER SERVICE AGREEMENT BETWEEN THE TOWN OF RONCEVERTE, WEST VIRGINIA AND THE GREENBIER COUNTY PUBLIC SERVICE DISTRICT NUMBER 1".

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

**City Administrator Annual Evaluation:**

Recorder Ratliff made a motion to authorize the Finance Committee to perform the City Administrators annual evaluation and report at the next Council Meeting.

The motion was given a second by Councilwoman Johnson.

The vote was unanimous. The motion carried.

**Administrator Comments:**

- Financial report in Council's packet
- Sewer Issues – Regarding the GPSD # 1 boundary enlargement, the ALJ for the PSC will conduct a public hearing on July 18, 2007 at 10:00 a.m. at the Greenbrier County Courthouse.
- Water monthly report coming.
- Police Activity – reports is coming
- Planning Commission Meeting- the RPC at the June 13 meeting approved the Revised Preliminary Sketch Plan Submittal Beckett Green Subdivision consisting of 39.8 acres on Rocky Hill Road with almost 250 units. Also they approved preliminary plans on Beckett Green II with almost 100 units. The next meeting is July 11
- Ronceverte Lions Club Recreation Center- no report.
- Park and Recreation Commission – Next meeting is July 18.
- Moose Lodge Roof –Still working on the roof replacement
- Streetscape- Work is continuing. This is going to be an exciting makeover for the downtown.
- Storm Drainage – staff is dealing with a number of storm drainage issues on City Streets due to two recent heavy rains.

**Council Member Comments:**

Councilwoman Booth – July we will be having night swim and be open until 9:00 p.m.  
Councilman Palm – The skate park fund raiser has been successful so far. The current car was raised \$676. They will next have a Spaghetti Dinner on July 8<sup>th</sup> at the Armory. The Kids and Mothers have been working very hard

**Adjournment:**

Recorder Ratliff made a motion to adjourn.  
The motion was given a second by Councilwoman Morgan.  
The vote was unanimous. The motion carried.

  
\_\_\_\_\_  
Mayor Gail White

  
\_\_\_\_\_  
for Recorder Chris Ratliff

City of Ronceverte, West Virginia  
Minutes of the Ronceverte City Council Meeting  
Monday, August 6, 2007

Present: Councilwoman Christie Boothe, Councilwoman Jan Johnson, Councilwoman Morgan, Councilman Michael Palm, Councilman David Smith, Recorder Chris Ratliff, and Mayor Gail White

Mayor Gail White called Council to order at 6:58 PM.

**Approval of Minutes:**

Councilman Palm made a motion to approve the minutes, as read, for July 2, 2007. The motion was given a second by Councilwoman Morgan. The vote was unanimous. The motion carried.

**Citizens Comments:**

Doris Smith – Spoke on behalf of the citizens and youth diligently working to raise funds for the Ronceverte Sk8 Parc. Doris stated that the park contains three phases. The first phase should be ordered by the end of August. The youth have raised \$6,000 of the \$10,000 needed. Two more fundraisers have been scheduled and they include yard clean-ups and another car wash. All donations are appreciated. Police Chief Smith explained that the Police Fund of the Ronceverte Police Association will make a donation. The recent Spaghetti Dinner raised \$300. Councilman Palm explained that the kids and mothers have worked hard and have done a great job. He also stated that he was proud of the community and young people's involvement. Lewisburg didn't look for contributions from the youth of the community. He also said that he was amazed that the kids have been so diligent. Mayor White stated that the kids cleaned up her yard and she thanked the kids. City Planner Doug Hylton stated that the kids approached them about making the skate park possible and that they have done a great job.

Donna Saylor- stated that the Lions Club is trying to fix up the old American Legion building and ask the City to help with a matter in front of the building. There is a sewer smell in front of the building and there are special guest coming soon and would like the City to check on it. Mrs. Saylor also asked if the Lions could haul away their trash instead of paying for a trash pick-up. Administrator Oborn explained that they could drop the charges to the minimal charge. Mrs. Saylor also asked about the Parking situation at the Recreations Center and if the order sent to her by the Mayor was still in affect. Administrator Oborn explained that the Fire Department has twenty spaces and the Lions Club has eighteen, once those are full use the overflow behind the old school. Mrs. Saylor stated that the Recreation Center has limited parking and she has maxed out the kids playing and has had to turn kid away.

402 Spring Street – Request about run off of water into her yard. Resident stated that she has watched water, debris and gravel run into her property when it rains. She also stated that she has submitted four work orders since last Easter. She asked if she and the City could come to a resolution. Administrator Oborn stated that he would schedule a meeting with the citizen.

### **Water System Improvements and Upgrade Project:**

Administrator Oborn explained that staff is still working on the required property and right-of-way acquisition and enclosed in the packet is an up-to-date status report. Administrator Oborn stated that Requisition No. Seventeen is ready for Council approval.

Councilman Palm made a motion to approve Ronceverte Water System Improvements and Upgrade Requisition No. Seventeen, authorizing payment of a total of \$577.60 in payments and authorize the Mayor to sign the required request letter and financial report.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

### ✓ **2<sup>nd</sup> Reading – Water Rate Increase Ordinance:**

Mayor White opened the Public Hearing and with no comments closed the Hearing.

Councilman Palm made a motion to approve the 2<sup>nd</sup> Reading of Ordinance 2007-07 by title only.

The motion was given a second by Councilwoman Morgan.

The vote was unanimous. The motion carried.

Councilman Palm made a motion to approve the 2<sup>nd</sup> Reading of Ordinance 2007-07, Water Rate Increase Ordinance, "AN ORDINANCE ESTABLISHING WATER RATES FOR THE TOWN OF RONCEVERTE, WEST VIRGINIA".

The motion was given a second by Councilwoman Boothe.

The vote was unanimous. The motion carried.

### **Various Committee Appointments:**

Administrator Oborn explained that after legal review, no Council Member can serve in the Zoning Appeals Board. He also stated that there are only a few vacancies left.

### **Surplus Property:**

Administrator Oborn explained that the City has a number of surplus items that individuals have expressed interest in purchasing. The Administrator asks that the Council declare the items valued under \$5000.00 as surplus property and authorize the Administrator to dispose of the property at fair market value upon review by the Finance Committee.

Councilman Palm made a motion to declare the following items valued under \$5000 as surplus property and authorize the Administrator to dispose of the property at fair market value upon review by the Finance Committee: The old blue water truck, the old trash truck, the old street sweeper, the walk behind mower, and all other unused sundry items valued under \$200.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

### **Clifford Community and Recreation Center Grant Resolution:**

Administrator Oborn explained that the City Grant Writer has obtained the following Grants that require Council Resolutions: \$5000 Community Partnership Program Grant from the West Virginia Development Office for programs associated with the Clifford Community and Recreation Center, \$10000 Community Participation Program Grant from the West Virginia Development Office via the Greenbrier County Commission for the Clifford Community and Recreation Center, and \$5000 Community Participation Program Grant from the West Virginia Development Office via the Greenbrier County Commission for Downtown Lighting.

Recorder Ratliff made a motion to approve Resolution 2007-13 authorizing the Mayor to enter into an agreement for \$5000 Community Partnership Program Grant with the West Virginia Development Office for programs associated with the Clifford Community and Recreation Center.

The motion was given a second by Councilman Palm.

The vote was taken by Roll Call with all yeas. The motion carried.

Councilman Smith made a motion to approve Resolution 2007-14 authorizing the Mayor to enter into an agreement for \$10000 Community Participation Program Grant with the West Virginia Development Office via the Greenbrier County Commission for the Clifford Community and Recreation Center.

The motion was given a second by Councilman Palm.

The vote was taken by Roll Call with all yeas. The motion carried.

Recorder Ratliff made a motion to approve Resolution 2007-15 authorizing the Mayor to enter into an agreement for \$5000 Community Participation Program Grant with the West Virginia Development Office via the Greenbrier County Commission for Downtown Lighting.

The motion was given a second by Councilman Palm.

The vote was taken by Roll Call with all yeas. The motion carried.

### **Municipal Court and Judges:**

Administrator Oborn explained that on June 6<sup>th</sup>, 2006 the City Council appointed Louis Longanacre as the Ronceverte Municipal Judge, replacing the interim judge. Judge Longanacre brought extensive experience to the court and has provided training to the City's assistant Judge Chris Phillips. Chris Phillips is now in position to fill the role of Ronceverte Municipal Judge. The City thanks Judge Longanacre for coming out of retirement to provide needed service and training to the City's Municipal Court. The City's new court clerk is Michelle Miller and it is the practice to appoint the court clerk as an Assistant Judge. It is recommended that Crystal Byer continue as an Assistant Judge.

Councilman Palm made a motion to release Louis Longanacre as the Ronceverte Municipal Judge with thanks for his service and appoint Chris Phillips as the Ronceverte Municipal Judge.

The motion was given a second by Councilman Smith.

The vote was unanimous. The motion carried.

Councilman Smith made a motion to appoint Michelle Miller as an Assistant Municipal Judge. The motion was given a second by Recorder Ratliff. The vote was unanimous. The motion carried.

**Administrator Comments:**

-Financial report in Council's packet, I have provided the June 30, 2007 Fiscal Year Ending, operating cash balance for the last three years and the July cash report, and the regular monthly report for July. I have hired a temporary employee at City Hall I would like to make permanent part-time if there are no objections. I have included a swimming pool analysis for Calendar Year 2006.

-Sewer Issues – Attached is a letter from the WV Environmental Training Center thanking the staff at the Wastewater Treatment Plant for hosting a Troubleshooting workshop at the Ronceverte Regional Wastewater Treatment Plant. The City is in the process of hiring a Wastewater Treatment Operator I or Operator-In-Training to fill a vacancy from a recent resignation.

-Water monthly report coming. Work has just started on the Stoney Glen water extension plans with expected project completion date of April 2008. Anyone who has frontage along the water extension route can hook up to the City without a tap fee if they let the City know so the tap can be made at the time of construction of the waterline. This is a service that the Developers of Stoney Glen are providing free of charge to residents along the extension route.

-Police Activity – reports is coming

-Planning Commission Meeting- No August meeting. Planning on the Beckett Green Subdivision is progressing

-Ronceverte Lions Club Recreation Center- reports in packet.

-Park and Recreation Commission – No August meeting.

- Moose Lodge Roof – Looking at doing the roof work in-house.

- Streetscape- Work is nearing completion. This is going to be an exciting makeover for the downtown. A 30 day extension was submitted and it will last until the end of August.

**Executive Session:**

Councilman Smith made a motion to go into Executive Session.

The motion was given a second by Councilman Palm.

The vote was unanimous. The motion carried.

Executive Session began at 7:46 p.m.

Recorder Ratliff made a motion to go back into Regular Session.

The motion was given a second by Councilman Palm.

The vote was unanimous. The motion carried.

**Resolution & Agreements Regarding Greenbrier Public Service District No. 1:**

Councilman Smith made a motion to approve Resolution 2007-11 "A RESOLUTION APPROVING THE WASTEWATER TREATMENT AGREEMENT BETWEEN THE TOWN OF RONCEVERTE, WEST VIRGINIA AND GREENBRIER COUNTY PUBLIC SERVICE DISTRICT NUMBER 1" by title only.

The motion was given a second by Councilman Palm.  
The vote was taken by Roll Call with all yeas. The motion carried.

Councilman Palm made a motion to approve Resolution 2007-12 "A RESOLUTION APPROVING THE WATER METER READING SERVICE AGREEMENT BETWEEN THE TOWN OF RONCEVERTE, WEST VIRGINIA AND GREENBRIER COUNTY PUBLIC SERVICE DISTRICT NUMBER 1" by title only.

The motion was given a second by Councilman Smith.

The vote was taken by Roll Call with all yeas. The motion carried.

All Council Members signed the already passed Water Service Termination and Reconnection of Water Service Agreement Between the Town of Ronceverte, West Virginia and Greenbrier County Public Service District Number 1.

By request of legal counsel, Councilman Smith made a motion to dismiss the PSC case against Greenbrier Public Service District No. 1

The motion was given a second by Councilman Palm.

The vote was unanimous. The motion carried.

#### **Greenbrier Public Service District No. 1 Boundary Enlargement:**

Administrator Oborn explained that the Greenbrier County Commission request to enlarge the GPSD No. 1's service area and add water service hearing was held on July 18, 2007. The parties agreed to file a 120 day extension to allow time for negotiation. The PSC of WV granted a 60 day extension instead a hearing date of September 14, 2007 at 10:00 a.m. at the Greenbrier County Courthouse. The Administrator provided all the recent documents in Council's packet. The City is meeting with the District and the other concerned Municipalities in an effort to come to a negotiated agreement. The detail of the negotiations was discussed in Executive Session.

#### **City Administrator Annual Evaluation:**

Councilman Smith made a motion to approve a ten percent pay raise to the City Administrator effective date of July 1, 2007.

The motion was given a second by Mayor White.

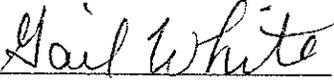
The vote was unanimous. The motion carried.

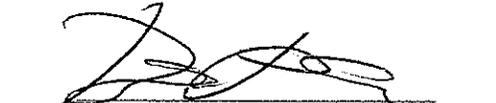
#### **Council Member Comments:**

Recorder Ratliff explained that this would be his last Council Meeting. Due to personal reasons he is forced to resign. A formal written resignation will be submitted before next meeting.

**Adjournment:**

Councilman Palm made a motion to adjourn.  
The motion was given a second by Councilman Smith.  
The vote was unanimous. The motion carried.

  
\_\_\_\_\_  
Mayor Gail White

  
\_\_\_\_\_  
Administrator Blaine Oborn



The West Virginia Daily News  
P.O. Box 471  
Lewisburg, WV 24901  
PHONE: (304) 645-1206

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA  
COUNTY OF  
GREENBRIER, TO WIT:

**CITY OF RONCEVERTE  
NOTICE OF PUBLIC HEARING  
Water Rate Increase Ordinance**

The Ronceverte City Council will conduct a second reading and a public hearing on Monday, August 6, 2007, at 7:00 p.m. at the Ronceverte City Hall, 200 West Main Street, Ronceverte, West Virginia, to consider the Water Rate Increase Ordinance.

The proposed ordinance will establish revised water rates for the town of Ronceverte, West Virginia, including two rate increases. The first will be a 16% increase that will take affect 45 days after passage of the ordinance. The second will be a 28% increase that will take affect upon substantial completion of the Ronceverte Water System Improvement and Upgrade Project (anticipated sometime in 2009). The ordinance also includes other changes and additions.

The proposed ordinance may be viewed in advance of the Public Hearings at the Ronceverte City Hall. The council may consider adoption of the proposed ordinance following reading and hearing.

Interested parties may comment at such time and written comments are also welcome in advance directed to the City Administrator, City of Ronceverte, 200 W. Main St., P.O. Box 417, Ronceverte, WV 24970 or phone (304) 647-5455.  
(26,27j1,1,2,3ag)

I, Louise Bassett,  
one of the editors of The West  
Virginia Daily News, a daily newspaper  
of general circulation published  
at Lewisburg, West Virginia,  
in the County of Greenbrier, State  
of West Virginia, do certify that  
publication of the advertisement  
or advertisements attached hereto  
was made in five (5)  
issues of said newspaper, dated

- 26 July 2007
- 27 July 2007
- 1 Aug 2007
- 2 Aug 2007
- 3 Aug 2007

Given under my hand this the  
3<sup>rd</sup> day of Aug., 2007.

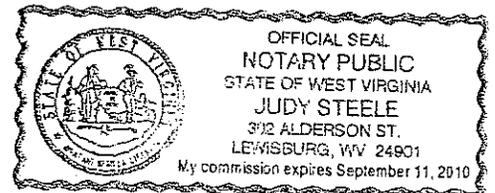
Louise Bassett  
Editor or Publisher

Subscribed and sworn to before me this 3<sup>rd</sup> day of August  
2007.

My commission expires Sept 11, 2010

Judy Steele Notary Public.

Publication Fee: \$ 106.72



The West Virginia Daily News  
 P.O. Box 471  
 Lewisburg, WV 24901  
 PHONE: (304) 645-1206

RECEIVED  
 2007 SEP 25 AM 8 55  
 W VA PUBLIC SERVICE  
 COMMISSION  
 SECRETARY'S OFFICE

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA  
 COUNTY OF  
 GREENBRIER, TO WIT:

1. Louise Bassett,  
 one of the editors of The West  
 Virginia Daily News, a daily newspaper  
 of general circulation published  
 at Lewisburg, West Virginia,  
 in the County of Greenbrier, State  
 of West Virginia, do certify that  
 publication of the advertisement  
 or advertisements attached hereto

was made in two (2)  
 issues of said newspaper, dated  
9 August 2007  
16 August 2007

Given under my hand this the  
16<sup>th</sup> day of August, 2007.  
Louise Bassett

Editor or Publisher

Tariff Form No. 12  
 (Tariff Rule 44)  
 PUBLIC NOTICE OF CHANGE IN  
 RATES BY MUNICIPALITIES

NOTICE is hereby given that the  
 City of Ronceverte, a public utility, has  
 adopted by ordinance on August 6, 2007  
 a tariff containing increased rates, tolls  
 and charges for furnishing water service  
 to 1,006 customers at Ronceverte in the  
 County of Greenbrier.

The ordinance calls for two (2) rate  
 increases.

The first proposed increased rates  
 and charges will become effective not  
 sooner than 45 days from passage,  
 estimated on the 10/01/07 billing, unless  
 otherwise ordered by the Public Service  
 Commission and will produce  
 approximately \$64,338 annually in  
 additional revenue, an increase of 16%.  
 The average monthly bill for the various  
 classes of customers will be changed as  
 follows:

|                  | (\$)    | INCREASE | INCREASE (%) |
|------------------|---------|----------|--------------|
| Residential      | \$4.89  |          | 16%          |
| Commercial       | \$14.10 |          | 16%          |
| Public Authority | \$41.42 |          | 16%          |

The second proposed increased  
 rates and charges will become effective  
 upon substantial completion of the  
 Ronceverte Water System Improvement  
 and Upgrade Project, estimated  
 sometime in 2009, unless otherwise  
 ordered by the Public Service  
 Commission and will produce  
 approximately \$128,675 annually  
 additional revenue, an increase of

The average monthly bill for the  
 classes of customers will be  
 follows:

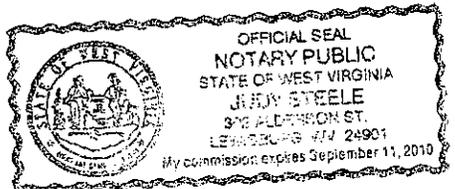
|             | (\$) | INC |
|-------------|------|-----|
| Residential |      |     |
| Commercial  |      |     |
| Public Auth |      |     |

subscribed and sworn to before me this 16<sup>th</sup> day of August  
 2007.

My commission expires Sept 11, 2010

Judy Steele Notary Public.

Publication Fee: \$ 135.80



UNO

approximately \$128,675 annually in additional revenue, an increase of 28%. The average monthly bill for the various classes of customers will be changed as follows:

|                  | (\$) INCREASE | INCREASE(%) |
|------------------|---------------|-------------|
| Residential      | \$10.10       | 28%         |
| Commercial       | \$29.08       | 28%         |
| Public Authority | \$85.41       | 28%         |

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing. The Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates or charges, by:

- (1) Any customer aggrieved by the changed rates or charges who presents to the Commission a petition signed by not less than twenty-five percent of the customers served by such municipally operated public utility; or
- (2) Any customer who is served by a municipally operated public utility and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the Commission a petition alleging discrimination between customers within and without the municipal boundaries. Said petition shall be accompanied by evidence of discrimination; or
- (3) Any customer or group of customers who are affected by said change in rates who reside within the municipal boundaries and who present a petition to the Commission alleging discrimination between said customer or group of customers and other customers of the municipal utility. Said petition shall be accompanied by evidence of discrimination.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, P. O. Box 812, Charleston, West Virginia 25323.

A complete copy of the proposed rates, as well as a representative of the utility to provide any information requested concerning it, is available to all customers, prospective customers, or their agents at the following office of the utility: Ronceverte City Hall, City of Ronceverte, 200 W. Main St., P.O. Box 417, Ronceverte, WV 24970, Phone (304) 647-5455.

A copy of the proposed rates is available for public inspection at the office of the Executive Secretary of the Public Service Commission of West Virginia at 201 Brooks Street, P.O. Box 812, Charleston, WV 25323.

(9.16ag)

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Given under my hand this the 16<sup>th</sup> day of August, 2007.  
Louise Bassett

Editor or Publisher

to before me this 16<sup>th</sup> day of August

Sept 11 2000  
Steele Notary Public.  
80





CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

EXCERPT OF MINUTES ON ADOPTION OF  
SUPPLEMENTAL RESOLUTION AND SWEEP RESOLUTION

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

\*\*\*

\*\*\*

\*\*\*

The Council of the City met in special session, pursuant to notice duly posted, on the 28th day of July, 2008, in Ronceverte, West Virginia, at the hour of 7:00 p.m.

PRESENT:

|                |               |
|----------------|---------------|
| Jan Johnson    | Recorder      |
| Robert Baker   | Councilmember |
| Christi Boothe | Councilmember |
| Barbara Morgan | Councilmember |
| Michael Palm   | Councilmember |
| David Smith    | Councilmember |

ABSENT:

|               |       |
|---------------|-------|
| T. Gail White | Mayor |
|---------------|-------|

Jan Johnson acting as Mayor, presided, and Blaine Oborn acted as Recorder. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon the Mayor then presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA DWTRF PROGRAM), OF

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

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

Next, the Mayor presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, on motion duly made by Michael Palm and seconded by David Smith, it was unanimously ordered that the said Sweep Resolution be adopted.

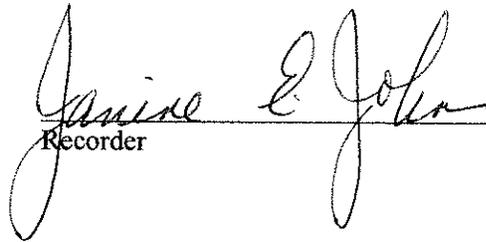
\*\*\*            \*\*\*            \*\*\*

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

CERTIFICATION

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

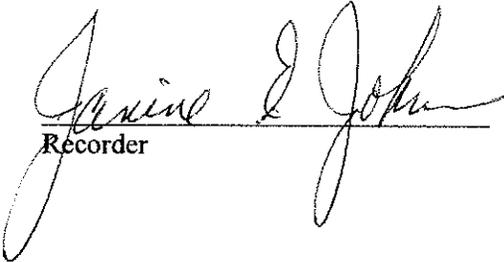
WITNESS my signature on this 5th day of September, 2008.

  
Recorder

CERTIFICATION

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

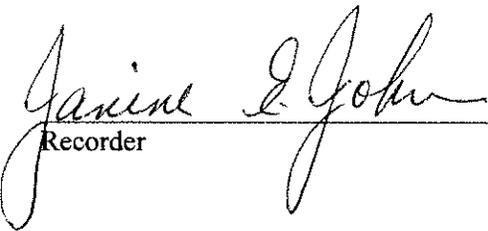
WITNESS my signature on this 5th day of September, 2008.

  
Recorder

CERTIFICATION

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

WITNESS my signature on this 5th day of September, 2008.

  
Recorder

**CITY OF RONCEVERTE, WEST VIRGINIA  
MINUTES OF THE RONCEVERTE CITY COUNCIL MEETING  
MONDAY, MAY 5, 2008**

Mayor Gail White called Council to order at 7:00 pm. All members were present.

1. **Approval of Minutes** – Mr. Baker motioned that Council approve the minutes for April 7, 2008 and April 15, 2008. The motion was seconded by Mr. Smith. The vote was unanimous and the motion carried.

2. **Citizens Comments** – There were no citizen comments.

3. **Water System Improvements and Upgrade Project** – The bidding advertisement for two upgrade projects will appear in the Charleston Gazette on May 7 and 14. Up for improvement are the Waterline Upgrade and Water Storage Facility. Mr. Palm moved that Council approve the Project Requisition No. 25 for \$845,000. Mr. Smith seconded. The vote was unanimous and the motion carried.

4. **1<sup>st</sup> Reading – Municipal Service Fee Ordinance**– This ordinance removes the cap on Municipal Fees for commercial customers with more than 20,000 square feet. The increase fees will purchase needed supplies for the fire department. The Mayor opened the floor for public comments; there were none. Mr. Smith motioned that Council dispense with the reading and approve by title only. Mrs. Boothe seconded. The vote was unanimous and the motion carried. Mr. Smith motioned that Council approve the first reading of the Ordinance by title only. Mrs. Boothe seconded. The vote was unanimous and the motion carried.

5. **2<sup>nd</sup> Reading – Burn Permit Ordinance** – Concerns about procedures prevented vote on this ordinance. A committee will work to clarify rules and address problems. Mr. Palm motioned that a Burn Permit Ordinance Committee be formed. Mrs. Morgan seconded. The vote was unanimous and the motion carried. Mr. Smith, Mr. Baker and Mrs. Boothe are the committee members. Mr. Palm also motioned that the reading be tabled until the Committee meets with the Fire Chief and the Police Chief. Mr. Baker seconded. The vote was unanimous and the motion carried.

✓ 6. **1<sup>st</sup> Reading – Bond Ordinance For Water Revenue Bond Series 2008** – This ordinance authorizes a loan of up to 2.5 million dollars for waterworks improvements. Mr. Palm moved that Council dispense with the reading and approve by title only. Mrs. Morgan seconded. The vote was unanimous and the motion carried. Mr. Palm moved that Council approve by title only the 1<sup>st</sup> reading of the ordinance. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

7. **TABLED**

**8. Sewer Bond Reimbursement Resolution** – Allows the Administrator to borrow money to upgrade and repair sewer lines. The city will be reimbursed from the Sewer Bond Project funds. Mr. Palm moved that Council dispense with the reading and approve by title only. Mr. Smith seconded. The vote was unanimous and the motion carried. Mr. Palm moved that Council approve the resolution by title only. Mr. Smith seconded. The vote was unanimous and the motion carried.

**9. Sewer Fund Budget Resolution** – PSD#1 has reported incorrect numbers regarding our sewage flow. Therefore the exact amount for funding can not be determined by the PSC. A hearing to collect all the facts will be held Jun 11, 2008 at the City Hall. Council must approve three budget documents in order to present all needed information at the hearing. Mr. Smith moved that Council dispense with reading and approve by title only. Mrs. Boothe seconded. The vote was unanimous and the motion carried. Mr. Smith moved that Council approve Resolution 2008-03 by title only. Mrs. Boothe seconded. The vote was unanimous and the motion carried.

**10. City Credit Card – Tabled**

**11. Administrators Comments** - The Administrator submitted the departments' Monthly reports. He specifically mentioned that the Building Commission will meet May 7 at 5:45pm. The Commission will discuss the estimates for asbestos removal at the old high school. The water rate increase begins with the June 1, 2008 billing. Special thanks to RDC for new trash cans, and to all who participated in City Cleanup day.

**12. COUNCIL COMMENTS-** Several members expressed concern about people who cross the CSX tracks to get to the park. It was noted that it is illegal to cross CSX private property. Mr. Palm and the Administrator will draft a letter to the citizens for safety. Mrs. Morgan is concerned a pedestrian will be hurt during "bucket drives". Request procedures are established for more control.

**13. Adjournment** MR. Palm made motion for adjournment. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

Attest

---

Mayor Gail White

---

Recorder Janine Johnson

CITY OF RONCEVERTE WEST VIRGINIA  
MINUTES OF THE RONCEVERTE CITY COUNCIL MEETING  
JUNE 2, 2008

All Council members were present. Mayor White called the meeting to order at 7:00 p.m.

**1. APPROVAL OF MINUTES** - Mr. Palm motioned that Council approve the minutes for May 5, 2008. Mr. Baker seconded. The vote was unanimous and the motion carried.

**2. No Citizens comments**

✓ **3. Water System Improvements and Upgrade Project and 2<sup>nd</sup> of 3 Reading – Bond Ordinance for Water Revenue Bonds, Series 2008-** The Administrator addressed this subject in three sections: Administrator Update, Payment request and Ordinance Approval.

a. Bidding opens June 12, 2008 for the Waterline Upgrades and the Water Storage Facility project.

b. The Administrator will meet with Lewisburg to amend the water Purchase contract in regards to the connection date and water pressure settings.

c. The administrator recommends Council approve 2<sup>nd</sup> reading of the Bond Ordinance for the Water Revenue Bonds for the Water System Improvement and Upgrade Project. The 3<sup>rd</sup> reading and public hearing is scheduled for July 7, 2008.

Mr. Palm motioned that Council approve payment of Upgrade Requisition No. twenty-six for \$7,440.40 and to authorize the Mayor to sign the request letter and other needed documents. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

Mr. Palm motion that Council dispense with the reading and approve by title only City of Ronceverte Ordinance 2008-06. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

Mr. Palm motioned that Council approve the 2<sup>nd</sup> Reading of City of Ronceverte Ordinance 2008-06 Bond Ordinance for Water Revenue Bonds, Series 2008. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

**4. Petition to Create a Community Enhancement District for Proposed Subdivision on Rocky Hill Road and 1<sup>st</sup> Reading – Patriot Hills Community Enhancement District Ordinance** – Robert Stout and Richard Ford representing the property owners of Patriot Hills Subdivision updated Council on the progress of the project. They came to request that Council approve an ordinance to determine if it is necessary and economically feasible to create a Community Enhancement District which would help finance the subdivision's costs for road construction, water and sewer lines and other

amenities needed. This ordinance will create no costs or debt for the City. The cost would be assessed to the homeowner.

The Administrator recommended a motion determining that a Community Enhancement is necessary and feasible. This motion is subject to approval by Council of the Patriot Hills Community Enhancement District Ordinance. The first reading and public hearing is July 7, 2008.

Mrs. Morgan motioned that Council determine that the Patriot Hills Community Enhancement Ordinance is necessary and economically feasible. Mr. Baker seconded. The vote was unanimous and the motion carried.

**5. 1<sup>st</sup> Reading – Sanitary Board Ordinance** - In order to comply with WV Code the Council decided to establish the Sanitary Board. This Board will make decisions concerning the sewer system and how it affects the health, welfare and well being of the citizens.

Mr. Palm motioned that Council dispense with the reading and approve by title only. Mrs. Morgan seconded. The vote was unanimous and the motion carried. Mr. Palm motioned that Council approve the 1<sup>st</sup> Reading Ordinance No. 2008-07, Sanitary Board Ordinance by title only. Mrs. Boothe seconded. The vote was unanimous and the motion carried.

**6. Committee Appointments** - Council approved extending the terms for those committee members whose terms had expired. *(See attached detail.)*

**7. Parking on Cedar Street near West Main Street** – The Police Department needs better parking to load and unload prisoners. Mr. Palm motioned that Council designate a space on Cedar Street as a “Police Vehicle Only” parking space. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

**8. City Credit Card – Tabled**

**9. Bank Accounts Signature Authorization Resolution** – The City needs to update signatures for the Bank Accounts. Mrs. Boothe motioned that Council dispense with the reading and approve by title only. Mr. Baker seconded. The vote was unanimous and the motion carried. Mr. Palm motioned that Council approve Resolution No. 2008-04 Bank Accounts Signature Authorization Resolution by title only. Mr. Smith seconded. The vote was unanimous and the motion carried.

**Executive Session** - Mr. Palm moved for Council to dismiss to Executive Session to discuss personnel and budget. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

**10. General Fund Budget Adjustment and Enterprise Funds Budgets** – Mr. Smith motioned that Council approve the Sewer Fund Budget for Fiscal year 2008-2009 as presented. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

**11. City Administrator Evaluation** – Tabled until review by Finance Committee.

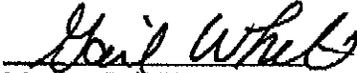
**12. Administrator Comments** – The Administrator suggested Council review monthly reports by each section. He pointed out that next Council meeting will be July 28, 2008. Mr. Smith made the motion to change the Council meeting to July 28, 2008. Mrs. Boothe seconded. The vote was unanimous and the motion carried.

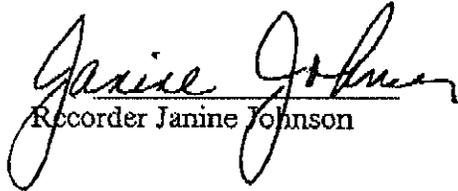
The Administrator reminded Council that the Sewer Rate hearing with the PSC is June 23, 2008. The PSC owes the City ~~43,~~ 181.61.

**13. Council Members Comment** – Mr. Palm had concerns about payment for the Skateboard Park, Vandals in the cemetery and burned out street lights.

**14. Adjournment** – Mr. Palm motioned for adjournment. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

Attest:

  
Mayor Gail White

  
Recorder Janine Johnson

Attachment to June 2, 2008 minutes

**6. Committee Appointments**

**Planning Commission (7 members - 3 year term) Ord 97-1 & Ord 97-2**

**Council Action:**

**Reappointment:**

**Michael Smith (Exp 6/30/11)**

**Bob Baker (Exp 6/30/11)**

**Library Trustees (5 members – 5 year terms) Ord 1978**

**Council Action:**

**Reappointment to 5 year term:**

**Suc Ella Miano – (Exp 06/30/13)**

**Historic Landmark Commission (5 members – 3 year terms) Ord 2000-3**

**Council Action:**

**Reappointment to 3 year terms:**

**Michael Palm – (Exp 7/1/11)**

**City Tree Board (5 members – 3 Year terms) Ord 2001-05**

**Council Action:**

**Reappointment to 3 year terms:**

**Vi Hedrick (Exp 6/30/11)**

**Ronceverte Municipal Building Commission (Ord 2006-10):**

**Council Action:**

**Reappointment to 5 year terms:**

**Juanita Sampson (Exp 6/30/13)**

**Park & Recreation Commission (Ord 2006-06):**

**Council Action:**

**Reappointment to 1 year terms:**

**Jay Morgan, citizen of the municipality (one year term), exp 07/01/2009**

**Reappointment to 2 year terms:**

**Donna Saylor (two year term), exp 07/01/2010**

**Kcith Morgan (two year term), exp 07/01/2010**

**Ad Hoc Finance/Personnel/Grant Committee (three members – 1 year terms):**

**Council Action:**

**Reappointment to 1 year term:**

**David Smith - Councilmember**

CITY OF RONCEVERTE WEST VIRGINIA  
MINUTES OF THE RONCEVERTE CITY COUNCIL MEETING  
JULY 7, 2008

Mayor Gail White called the meeting to order at 7:00 p.m. Council Members present Gail White, Jan Johnson, Bob Baker, Barbara Morgan, Michael Palm, David Smith, Christi Boothe .

1. APPROVAL OF MINUTES – Mr. Palm motioned that Council approve the minutes for June 9, 2008. Mr. Smith seconded. The vote was unanimous and the motion carried.

2. CITIZENS COMMENTS -- Mary Glover and Donna Saylor representing Circle Drive and the O'Brien Addition commented on the road condition in that area. For now the roads at the O'Brien Addition will be patched and Circle Drive will be graded by the end of July. Mrs. Saylor's request for repairs to the Island Park restrooms will be forwarded to the Parks & Recreation Committee.

✓ 3. WATER SYSTEM IMPROVEMENTS and UPGRADE PROJECT and 3<sup>RD</sup> READING AND PUBLIC HEARING BOND ORDINANCE FOR WATER REVENUE BONDS, SERIES 2008 – The Administrator updated Council on the status of the loan, bidding and progress with Lewisburg. He recommended that Council approve payment requests and that Council approve \$65,410.96 in payment and authorize the Mayor to sign the request letter, financial report, and budget revision request and budget change. Mr. Smith made motion that council approves the action. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

No comments in Public Hearing.

Mr. Palm made a motion to dispense with the reading 3<sup>rd</sup> Reading of the Bond Ordinance and approve by title only with second by Mr. Baker and motion carries on unanimous vote. Mr. Palm made a motion to approve the 3<sup>rd</sup> Reading of the Bond Ordinance by title only with second by Mr. Baker and motion carries on unanimous vote.

Mr. Palm made a motion to dispense with the reading of Resolution 2008-05 – Waterline Right of Way and approve by title only with second by Mr. Baker and motion carries on unanimous vote. Mr. Palm made a motion to approve Resolution 2008-05 – Waterline Right of Way by title only with second by Mr. Baker and motion carries on unanimous vote.

4. PUBLIC HEARING ON PETITION TO CREATE A COMMUNITY ENHANCEMENT DISTRICT (CED); 2<sup>ND</sup> READING AND PUBLIC HEARING – PATRIOT HILL CED PETITION ORDINANCES; AND 1<sup>ST</sup> READING – PATRIOT HILLS CED CREATION ORDINANCE -- The Community Enhancement District will help create and improve the new construction at Patriot Hills. No comments in Public Hearing. Mr. Palm motioned that Council dispense with the reading and approve by title only. Mr. Baker seconded. The vote was unanimous and the motion carried. Mr. Baker moved that Council approve the 2<sup>nd</sup> reading of Ordinance 2008-08 Patriot Hills

CITY OF RONCEVERTE WEST VIRGINIA  
MINUTES OF THE RONCEVERTE CITY COUNCIL MEETING  
JULY 7, 2008

Community Enhancement District Petition Ordinance by title. Mr. Palm seconded. The vote was unanimous and the motion carried.

Mr. Palm motioned to dispense with the 1<sup>st</sup> Reading of the Patriot Hills Community Enhancement District Creation Ordinance and approve by title only with second by Mr. Baker and motion carries with a unanimous vote. Mr. Palm motioned to approve the 1<sup>st</sup> Reading of the Patriot Hills Community Enhancement District Creation Ordinance by title only with second by Mr. Baker and motion carries with a unanimous vote.

5. 2<sup>ND</sup> READING AND PUBLIC HEARING – SANITARY BOARD ORDINANCE; AND SANITARY BOARD APPOINTMENTS – The Council is concerned with the need to provide special, comprehensive and coordinated planning and management of all municipal wastewater works. This ordinance establishes a Sanitary Board to protect the health and welfare of Ronceverte's citizens. No comments in Public Hearing. Mr. Palm moved that Council dispense with the reading and approve by title only. Mrs. Morgan seconded. The vote was unanimous and the motion carried. Mr. Smith moved that council approve the 2<sup>nd</sup> Reading Ordinance No. 2008-07, Sanitary Board Ordinance. Mr. Baker seconded. The vote was unanimous and the motion carried.

The Mayor is an automatic member of the 3 member board. Mr. Smith motioned to appoint Marty Smith to the Sanitary Board with a second by Mr. Baker and motion carries with a unanimous vote.

6. CLIFFORD CENTER – USDA LETTER OF SUPPORT – Mr. Palm moved that Council support Ronceverte Development Corps' request for a letter of support in regards to a loan application for improvements to the Clifford Community and Recreation Center. Mr. Palm motioned that the Council authorize the Mayor to sign the support letter. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

7. 1<sup>ST</sup> READING – DUI AND RELATED VIOLATION, DRIVING SUSPENDED AND RECKLESS DRIVING ORDINANCE – In order to comply with the State's updates the staff had to amend the Municipal Ordinance. Mr. Palm motioned that Council dispense with the reading and approve by title only. Mrs. Morgan seconded. The vote was unanimous and the motion carried. Mr. Palm motioned that Council approve the 1<sup>st</sup> Reading of Ordinance 2008-10, DUI and related Violations, Driving Suspended and Reckless Driving Ordinance. Mr. Smith seconded. The vote was unanimous and the motion carried.

8. PROPERTY TRANSFERS WITH THE RONVERTE VOLUNTEER FIRE DEPARTMENT AND RONCEVERTE MUNICIPAL BUILDING COMMISSION  
Item tabled.

9. LIONS CLUB GYMNASIUM LEASE – Mr. Smith moved that Council extend the current lease to the Ronceverte Lions Club for the Greenbrier High School New Gymnasium for 1 year. Mr. Palm seconded. The vote was unanimous and the motion carried.

CITY OF RONCEVERTE WEST VIRGINIA  
MINUTES OF THE RONCEVERTE CITY COUNCIL MEETING  
JULY 7, 2008

Mr. Palm moved that Council move to Executive Session to discuss legal and personnel issues. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

10. MUNICIPAL JUDGE APPOINTMENT - Mrs. Morgan motioned that Council appoint Wayne Pennington as a Roncverte Municipal Alternate Judge. Mr. Baker seconded. The vote was unanimous and the motioned carried.

11. CITY STAFF WORK SCHEDULE - Mr. Baker motioned that Council approve on a trial basis a 4 day, 10 hour work schedule and change City Hall Office hours as recommended by the Administrator. Mr. Smith seconded. The vote was unanimous and the motion carried.

12. ENTERPRISE FUND BUDGETS - The Administrator recommended Council approve the Revised Sewer Fund Budget for 2008-2009. Mr. Smith motioned to approve the revision. Mrs. Morgan seconded. The vote was unanimous and the motion carried.

13. CITY ADMINSTRATOR EVALUATION - Discussed in Executive Session.

Mr. Smith moved to increase the City Administrator salary by 10% with second by Mr. Baker and motion carries with a unanimous vote. Mr. Smith moved to provide the City Administrator with a \$250 per month Vehicle Allowance with second by Mr. Baker and motion carries with a unanimous vote.

14. ADMINSTRATOR'S COMMENTS - All reports and activities as scheduled.

15. COUNCIL MEMBERS COMMENTS - none.

16. ADJOURNMENT

Attest on: \_\_\_\_\_

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Recorder



**NOTICE OF PUBLIC HEARING  
ON CITY OF RONCEVERTE  
BOND ORDINANCE**

A public hearing will be held on the following-entitled ordinance at a regular meeting of the Council of the City of Ronceverte (the "city") to be held on Monday, July 7, 2008, at 7:00 p.m. at the City Hall, 200 West Main Street, Ronceverte, West Virginia, and at such hearing any person interested may appear before the city and present protests, and all protests and suggestions shall be heard by the city and it shall then take such actions as it shall deem proper in the premises upon an ordinance entitled:

**CITY OF RONCEVERTE**

Ordinance authorizing the acquisition and construction of extensions, additions, betterments and improvements to public waterworks system of the City of Ronceverte and the financing of the cost, not otherwise provided, thereof through the issuance by the City of Ronceverte of not more than \$2,500,000 in aggregate principal amount water revenue bonds, series 2008 a (West Virginia DWTRF program); providing for the rights and remedies of and security for the registered owners of such bonds; authorizing execution and delivery of all documents relating to the issuance of such bonds; approving, ratifying and confirming a loan agreement relating to such bonds; authorizing the sale and providing for the terms and provisions of such bonds and adopting other provisions relating thereto.

The above-quoted title of the ordinance describes generally the contents thereof and the purposes of the bonds contemplated thereby. The city contemplates the issuance of the bonds described in the ordinance. The proceeds of the bonds will be used to provide financing of the costs of acquisition and construction of improvements to the existing waterworks system by the City of Ronceverte and to pay certain costs of issuance of the bonds and related costs. The bonds are payable solely from revenues to be derived from the ownership and operation of the water system of the city. No taxes may at any time be levied for the payment of the bonds or the interest thereon.

The above-entitled ordinance was adopted by the Council of the City of Ronceverte on June 2, 2008. A certified copy of the above-entitled ordinance is on file with the city for review by interested parties during regular office hours.

Following the public hearing, the city intends to enact the ordinance upon final reading.

/s/ T. Gail White  
Mayor

**FFIDAVIT OF PUBLICATION**

STATE OF WEST VIRGINIA  
COUNTY OF  
GREENBRIER, TO WIT:

I, Louise Bassett,  
one of the editors of The West  
Virginia Daily News, a daily newspaper  
of general circulation published  
at Lewisburg, West Virginia,  
in the County of Greenbrier, State  
of West Virginia, do certify that  
publication of the advertisement  
or advertisements attached hereto  
was made in two (2)  
issues of said newspaper, dated

23 June 2008  
30 June 2008  
-----  
-----  
-----

Given under my hand this the

30<sup>th</sup> day of June, 2008.

Louise Bassett

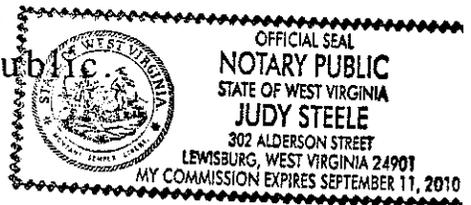
Editor or Publisher

So before me this 30<sup>th</sup> day of June

Sept 11 2010

Steele

Notary Public



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20(  
My  
Pu (23,30jn)



**WV MUNICIPAL BOND COMMISSION**  
 1207 Quarrier Street  
 Suite 401  
 Charleston, WV 25301  
 (304) 558-3971

**NEW ISSUE REPORT FORM**

Date of Report: 5-Sep-08

(See Reverse for Instructions)

|   |  |
|---|--|
| ISSUE: <u>City of Ronceverte</u><br><u>Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program)</u>   |  |
| ADDRESS: <u>Post Office Box 417, Ronceverte, West Virginia 24970</u>  | COUNTY: <u>Greenbrier</u>  |
| PURPOSE OF ISSUE:<br>New Money: <u>  x  </u><br>Refunding: <u>          </u>  |  |
| REFUNDS ISSUE(S) DATED: <u>  NA  </u>   | CLOSING DATE: <u>  5-Sep-08  </u>  |
| ISSUE DATE: <u>  5-Sep-08  </u>   | RATE: <u>  0% (1% Admin Fee)  </u>   |
| ISSUE AMOUNT: <u>          \$2,000,000</u>  | 1ST PRINCIPAL DUE <u>  1-Jun-10  </u>  |
| 1ST DEBT SERVICE DUE: <u>          1-Jun-10</u>   | PAYING AGENT: <u>  Municipal Bond Commission  </u>   |
| 1ST DEBT SERVICE AMOUNT <u>          \$16,667</u>   |  |
| <b>BOND COUNSEL:</b><br>Firm: <u>  Stephoe &amp; Johnson PLLC  </u><br>Contact: <u>  John Stump, Esquire  </u><br>Phone: <u>  (304) 353.8196  </u>  | <b>UNDERWRITERS COUNSEL</b><br>Firm: <u>  Jackson Kelly, PLLC  </u><br>Contact: <u>  Samme Gee, Esquire  </u><br>Phone: <u>  (304) 340-1318  </u>                              |
| <b>CLOSING BANK:</b><br>Bank: <u>  First National Bank  </u><br>Contact: <u>  Lori Honaker  </u><br>Phone: <u>  304.647.4500  </u>  | <b>ESCROW TRUSTEE:</b><br>Firm: <u>                          </u><br>Contact: <u>                          </u><br>Phone: <u>                          </u>                    |
| <b>KNOWLEDGEABLE ISSUER CONTACT</b><br>Contact: <u>  T. Gail White  </u><br>Position: <u>  Mayor  </u><br>Phone: <u>  304.647.5455  </u>  | <b>OTHER:</b><br>Agency: <u>  West Virginia DWTRF Program  </u><br>Contact: <u>  Robert DeCrease, P.E.  </u><br>Position: <u>  Manager  </u><br>Phone: <u>  304.558.2981  </u> |
| <b>DEPOSITS TO MBC AT CLOSE</b><br>By: <u>          </u> Wire <u>          </u> Accrued Interest: \$ <u>          </u><br><u>          </u> Check <u>          </u> Capitalized Interest: \$ <u>          </u><br><u>          </u> Reserve Account: \$ <u>          </u><br><u>          </u> Other: \$ <u>          </u>  |  |
| <b>REFUNDS &amp; TRANSFERS BY MBC AT CLOSE</b><br>By: <u>          </u> Wire <u>          </u> To Escrow Trustee \$ <u>          </u><br><u>          </u> Check <u>          </u> To Issuer \$ <u>          </u><br><u>          </u> IGT <u>          </u> To Cons. Invest. Fun. \$ <u>          </u><br><u>          </u> To Other: <u>          </u> \$ <u>          </u> |  |
| NOTES: <u>  Series 2008 A Bonds Reserve Account to be funded over 10 years  </u><br><u>  </u><br><u>  </u>  |  |
| <b>FOR MUNICIPAL BOND COMMISSION USE ONLY:</b><br>DOCUMENTS REQUIRED: <u>  </u><br>TRANSFERS REQUIRED: <u>  </u><br><u>  </u>   |  |

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

FIRST NATIONAL BANK, Ronceverte, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Ordinance of the City of Ronceverte (the "Issuer") enacted July 7, 2008, and the Supplemental Resolution of the Issuer adopted July 28, 2008 (the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), dated September 5, 2008, issued in the principal amount of \$2,000,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 5th day of September, 2008.

FIRST NATIONAL BANK

By: Matthew L. Burns  
Its: Authorized Officer

*Matthew L. Burns, CFO*

09.02.08  
78310.00001

CH4943322.1



CITY OF RONCEVERTE

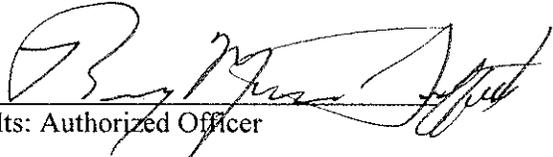
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Ronceverte Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), dated September 5, 2008, in the principal amount of \$2,000,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 5th day of September, 2008.

THE HUNTINGTON NATIONAL BANK

By:   
Its: Authorized Officer

09.02.08  
780310.00001



CITY OF RONCEVERTE

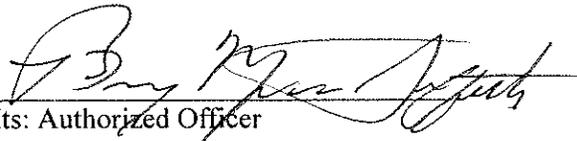
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned bond issue of the City of Ronceverte (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered City of Ronceverte Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), of the Issuer, dated September 5, 2008, in the principal amount of \$2,000,000, numbered AR-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 Huntington National Bank, as Registrar.

WITNESS my signature on this 5th day of September, 2008.

THE HUNTINGTON NATIONAL BANK

By:   
Its: Authorized Officer

09.02.08  
780310.00001



CITY OF RONCEVERTE

Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 5th day of September, 2008, by and between the CITY OF RONCEVERTE, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$2,000,000 principal amount of Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program), dated the date hereof, in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted July 7, 2008, and a Supplemental Resolution of the Issuer duly adopted July 28, 2008 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation,

such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: City of Ronceverte  
Post Office Box 417  
Ronceverte, West Virginia 24970  
Attention: Mayor

REGISTRAR: The Huntington National Bank  
One Huntington Square  
Charleston, West Virginia 25301  
Attention: Corporate Trust Department

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

9. This document may be executed in one or more counterparts each of which shall be deemed an original and all of which shall constitute but one and the same document.

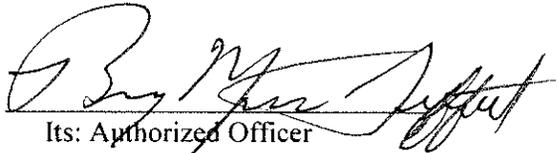
[Remainder of Page Intentionally Blank]

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.

CITY OF RONCEVERTE

By:   
Its: Mayor

THE HUNTINGTON NATIONAL BANK

By:   
Its: Authorized Officer

07.09.08  
780310.00001

CH4915718.1

EXHIBIT A

Included in transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

CHARLESTON, WEST VIRGINIA 25326

IN ACCOUNT WITH

**STEPTOE & JOHNSON PLLC**

Attorneys at Law

FEIN 55-0286140

September 5, 2008

City of Ronceverte  
Water Revenue Bonds, Series 2008 A  
(West Virginia DWTRF Program)

|                          |                    |
|--------------------------|--------------------|
| Services as Bond Counsel | \$25,000.00        |
| <b>TOTAL DUE</b>         | <u>\$25,000.00</u> |

Private Financial Group  
P.O. Box 633 - WE3013  
Charleston, West Virginia 25322-0633



STATEMENT OF REGISTRAR'S FEES  
Invoice Date September 5, 2008

**City of Ronceverte**  
**Account Number 6089001809**

City of Ronceverte  
Water Revenue Bonds, Series 2008 A  
John C. Stump  
Steptoe & Johnson, PLLC  
P.O. Box 1588  
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

\*\*\*\*\*  
FEE CALCULATION FOR September, 2008  
\*\*\*\*\*

|                  |           |                      |
|------------------|-----------|----------------------|
| TOTAL AMOUNT     | \$        | 500.00               |
| <b>TOTAL DUE</b> | <b>\$</b> | <b><u>500.00</u></b> |

- \* FEE INVOICES ARE PAYABLE WITHIN 30 DAYS. IF PAYMENT \*
- \* IS NOT RECEIVED, FEES WILL BE DEDUCTED FROM THE PLAN \*
- \* .. MAIL CHECK TO: HUNTINGTON NATIONAL BANK, ATTN: BARRY. . \*
- \* .. GRIFFITH, PO BOX 633, CHARLESTON, WV 25322-0633 . . . . . \*

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT  
Barry Morgan Griffith at (304)348-5035

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.

CITY OF RONCEVERTE

By: Gail White  
Its: Mayor

THE HUNTINGTON NATIONAL BANK

By: [Signature]  
Its: Authorized Officer

07.09.08  
780310.00001





*State of West Virginia*  
*Joe Manchin III*  
*Governor*

Office of the Governor  
State Capitol  
1900 Kanawha Boulevard, E.  
Charleston, WV 25305

Telephone: (304) 558-2000  
Toll Free: 1-888-438-2731  
FAX: (304) 342-7025  
[www.wv.gov.org](http://www.wv.gov.org)

November 1, 2006

The Honorable Gail White  
Mayor  
City of Ronceverte  
Post Office Box 417  
Ronceverte, West Virginia 24970-0417

Dear Mayor White:

On October 22, 2004, the City of Ronceverte received a commitment of \$1,500,000 in Small Cities Block Grant funds to enable you to correct deficiencies in the water distribution system, abandon their old plant, and purchase water from the City of Lewisburg.

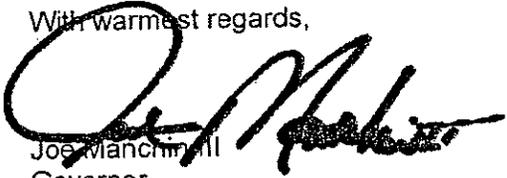
The Small Cities Block Grant award was based upon your immediate need for funds. Therefore, only \$300,000 was made available from the FY2005 allocation, with a commitment to evaluate your progress and provide the remaining funding from future allocations.

Based upon the City of Ronceverte's ability to proceed with this worthwhile project, I am committing the remaining \$1,200,000 from the FY2006 Small Cities allocation. Your existing Small Cities Block Grant contract will be amended to include the additional funds.

The West Virginia Development Office reserves the right to withdraw these funds if your project does not proceed on schedule. These funds would be replaced with a letter of intent for consideration from future allocations. Please be advised that a letter of intent is contingent upon the availability of federal funds.

I am pleased to assist with these improvements for the citizens of the City of Ronceverte.

With warmest regards,

  
Joe Manchin III  
Governor

JM:trs



PRODUCER  
  
Commercial Insurance Services  
340 MacCorkle Ave. Ste #200  
Charleston WV 25314  
Phone: 304-345-8000 Fax: 304-345-8014

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.

INSURED  
  
City Of Ronceverte  
P. O. Box 417  
Ronceverte WV 24970

| INSURERS AFFORDING COVERAGE               | NAIC # |
|---|--------|
| INSURER A: Argonaut Great Central Ins. Co |        |
| INSURER B:                                |        |
| INSURER C:                                |        |
| INSURER D:                                |        |
| INSURER E:                                |        |

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| NSR LTR | ADD'L INSRD | TYPE OF INSURANCE  | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS   |
|---------|-------------|--|---------------|----------------------------------|-----------------------------------|--|
| A       |             | GENERAL LIABILITY<br><input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | PE-4615430-01 | 08/07/08                         | 08/07/09                          | EACH OCCURRENCE \$ 2,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000<br>MED EXP (Any one person) \$ N/A<br>PERSONAL & ADV INJURY \$ 2,000,000<br>GENERAL AGGREGATE \$ 6,000,000<br>PRODUCTS - COMP/OP AGG \$ 6,000,000<br>Emp Ben. 2,000,000 |
| A       |             | AUTOMOBILE LIABILITY<br><input checked="" type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS<br><input type="checkbox"/> SCHEDULED AUTOS<br><input checked="" type="checkbox"/> HIRED AUTOS<br><input checked="" type="checkbox"/> NON-OWNED AUTOS   | PE-4615430-01 | 08/07/08                         | 08/07/09                          | COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$  |
|         |             | GARAGE LIABILITY<br><input type="checkbox"/> ANY AUTO  |               |                                  |                                   | AUTO ONLY - EA ACCIDENT \$<br>OTHER THAN EA ACC \$<br>AUTO ONLY: AGG \$  |
| A       |             | EXCESS/UMBRELLA LIABILITY<br><input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE<br><input type="checkbox"/> DEDUCTIBLE<br><input checked="" type="checkbox"/> RETENTION \$ 0   | PE-4615430-01 | 08/07/08                         | 08/07/09                          | EACH OCCURRENCE \$ 2,000,000<br>AGGREGATE \$ 2,000,000<br>\$<br>\$<br>\$   |
| A       |             | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?<br>If yes, describe under SPECIAL PROVISIONS below  | PE-4615430-01 | 08/07/08                         | 08/07/09                          | WC STATU-TORY LIMITS OTH-ER<br>E.L. EACH ACCIDENT \$ 1,000,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,000,000<br>E.L. DISEASE - POLICY LIMIT \$ 1,000,000  |
| A       |             | OTHER<br>Property Section  | PE-4615430-01 | 08/07/08                         | 08/07/09                          | Blkt Bldg 3,045,600<br>Blkt PP 3,090,863   |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Re: Water Project.

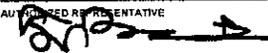
**CERTIFICATE HOLDER**

**CANCELLATION**

WVWDCHA

WV Water Development Authority  
180 Association Drive  
Charleston WV 25311

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  


## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



# State of West Virginia

## OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL and WASHINGTON STREETS

1 DAVIS SQUARE, SUITE 200  
TELEPHONE 304-558-2981

CHARLESTON, WEST VIRGINIA 25301

### PERMIT

PROJECT: (Water)  
Ronceverte Water System Upgrades  
And Connection to Lewisburg Water System

PERMIT NO.: 17,220

LOCATION: Ronceverte County: Greenbrier DATE: 9-6-2006

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that  
**City of Ronceverte Water System**  
**P. O. Box 417**  
**Ronceverte, West Virginia 24970**

is hereby granted approval to: install approximately 9,350 LF of 2", 5,200 LF of 4", 4,100 LF of 6" and 6,200 LF of 8" water line; one (1) 500,000 gallon water storage tank; one (1) 6" master meter; one (1) pressure reducing valve station; one (1) 500 G.P.M. duplex water booster station; one (1) 80 G.P.M. duplex water booster pump station; one (1) 30 G.P.M. duplex hydro-pneumatic water booster station with three (3) 120 gallon hydro-pneumatic tanks; repainting of one (1) existing tank; demolition of four (4) existing booster stations; addition of telemetry for all booster stations and water storage tanks; new water meters; and all necessary valves and appurtenances with water to be provided by the Lewisburg Water System (PWSID: WV3301307).

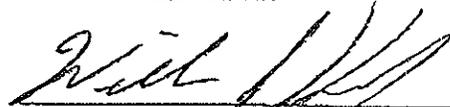
Facilities will serve the City of Ronceverte.

**NOTE:** This permit is contingent upon all new water line and water storage tanks being disinfected, flushed and bacteriologically tested, prior to use.

The Environmental Engineering Division of the Beckley District Office, telephone (304) 256-6666, 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:emt

pc: JDunn Engineers, Inc.  
 City of Lewisburg  
 James W. Ellars, P.E., PSC-Engineering Division  
 Amy Swann, PSC-Water and Wastewater Division  
 Greenbrier County Health Department  
 OEHS-EED Beckley District Office



WATER PURCHASE CONTRACT WITH  
THE  
MUNICIPALITY OF LEWISBURG, WEST VIRGINIA

WATER PURCHASE CONTRACT

(March 20, 2007)

This contract for the sale and purchase of water is entered into as of the 22<sup>nd</sup> day of March, 2007, between the City of Lewisburg, West Virginia, P.O. Drawer 548, 119 W. Washington Street, Lewisburg, WV 24901 hereinafter referred to as the "Seller" and the Town of Ronceverte, West Virginia, P.O. Box 417, 200 West Main Street, Ronceverte, WV 24970 hereinafter referred to as the "Purchaser",

WITNESSETH:

Whereas, the Purchaser is organized and established under the provisions of § 8-12-5 subdivision (32), and other provisions of the West Virginia Code, for the purpose of operating a water treatment and water supply distribution system serving water users within the boundaries of the municipality and water users who are not within the boundaries of the municipality, but are being served by Purchaser; and

Whereas, the Purchaser has determined that Purchaser's water treatment facility cannot meet the needs of its water users economically and efficiently; and intends to discontinue its water treatment plant; and, to accomplish this purpose, the Purchaser will require a supply of treated water; and,

Whereas, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the present water users of the Seller's system and the estimated number of water users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser; and,

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth,

**A. The Seller Agrees:**

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the West Virginia Department of Health in such quantity as may be required by the Purchaser not to exceed (430,000) four hundred thirty thousand gallons per day. Daily usage is defined as total usage for a billing cycle divided by the number of days in the billing cycle. Daily usage in excess of four hundred thirty thousand gallons (430,000 gallons) per day will be assessed a surcharge of 15% of the stated cost per one thousand gallons (1,000 gallons). The parties agree to a minimum daily usage of two hundred thousand gallons (200,000 gallons) starting the first day of the first month of following commencement of water delivery as described in section C, subsection 2 of this contract. Provided that a penalty shall not be assessed under the following circumstances: (1) a catastrophic event causing the purchaser to be unable to comply with the provisions of this contract despite its best efforts to comply; and (2) dissolution of the municipality. The parties agree that so long as Seller has the capacity and in the event of a catastrophic incident beyond the control of the Purchaser that creates a public safety issue requiring a temporary increase in the quantity of water supplied, the parties may agree to increase the quantity of water supplied to meet the emergency and while at the same time protecting the public safety of all of Seller's water users. The parties further agree that they will adjust the cost of the additional water provided that is fair to both parties under the circumstances, taking into account, the amount and duration of the increased supply and manpower costs. If parties

are unable to agree within 30 days, the issue will be referred to arbitration as provided for in section C-4 of this contract.

2. (Pressure) That water will be furnished at a reasonably constant pressure calculated at between 46 and 67 psi at five hundred (500) gallons per minute. If a greater pressure at the point or points of delivery is required by the Purchaser, the cost of providing the greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller temporarily from this provision for such reasonable period of time, not to exceed two days, as may be necessary to restore service.

3. (Metering Equipment) To furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to test and calibrate the metering equipment in accordance with Public Service Commission regulations. Any additional testing required by Purchaser will be at their expense. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected to the lab test period (not to exceed 6 months) previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on

the last business day of each month. An appropriate official of the Purchaser shall have access to the meter at all reasonable times in the presence of an official of the seller for the purpose of verifying its readings.

4. (Testing) Provide meter testing as may be necessary and conducted by qualified persons as required by the Public Service Commission's Rules and Regulations for government water utilities.

5. (Billing Procedure) To furnish the Purchaser at the above address not later than the fifteenth (15th) day of each month with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

**B. The Purchaser Agrees:**

1. (Rates, Payment Date, Escrow Account and Assignments) To pay the Seller, an initial flat rate of one dollar seventy-five cents (\$1.75) per each thousand gallons of water delivered not later than the last business day of each month following receipt of an itemized statement for water delivered by the Seller. The initial flat rate of one dollar and seventy-five cents (\$1.75) per thousand gallons may increase only as set by tariff by the Seller and approved by the West Virginia Public Service Commission. In so far as authorized by the West Virginia Public Service Commission, Purchaser agrees to establish a water user escrow account of at least one month's billing costs based on the monthly average for the most recent twelve month period. Any monies in this escrow account may only be used for the purpose of paying Seller for water provided to purchaser in the case of an unanticipated deficiency in purchaser's water budget during the term of this contract. If for any reason, Purchaser is unable to correct the deficiency within thirty days and bring its water payments into balance, Purchaser agrees to

temporarily assign to the Seller accounts receivable from its water users until the deficiency is corrected: Provided that monies from the escrow account may not be used for deficiencies of less than one month's billing costs and Purchaser may not assign its accounts receivable to Seller for deficiencies of less than one month's billing costs.

2. Purchaser agrees to include seller at the earliest possible time in planning for requesting increases in water purchased from seller that may result from the anticipated addition of a substantial number of new water customers of Purchaser.

3. Purchaser agrees that upon the execution of this agreement to adopt and adhere to the same standards for materials, water pipes, controls and connections of new water distribution lines installed by Purchaser after the effective date of this agreement as are established by Seller for its water distribution lines.

**C. It is further mutually agreed between the Seller and the Purchaser as follows:**

1. (Term of Contract) That this contract shall extend for a term of forty (40) years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser: Provided that after one year of experience under the contract either party may, with at least 90 days notice, request a review of the contract except with regard to reduction of initial rate per thousand gallons unless purchaser's average daily quantity exceeds 430,000 gallons of water for three consecutive months and both parties agree to participate in the review to determine if the contract should be amended to ensure fairness to each party and to address unforeseen matters. The parties further agree that they will not unreasonably withhold approval of changes necessary to achieve fairness and address unforeseen matters. For the purpose of

this contract, fairness includes changes deemed necessary to ensure the stability and viability of the water systems of both parties as indicated by an analysis of the contract and the performance of the parties under the contract by a non involved third party certified in this State to conduct the analysis. Both parties agree to pay an equal share in the cost of the analysis.

2. (Initial Point of Connection, Date of Seller Readiness and Water for Testing)

The initial point of connection for the flow of water from Seller's water supply system to Purchaser's water distribution system shall be located at the end of Seller's eight inch water main located on property as described in Deed Book 466 at Page 681 and designated as Map 14 Parcel 8 on the Tax Maps of record in the office of the Assessor of Greenbrier County, West Virginia. Seller agrees to install the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser. Seller further agrees to be willing and able to deliver water to purchaser not later than the first day of September, 2008. Parties agree that commencement of water delivery is contingent upon substantial completion of Purchaser's water improvement project as approved by the Bureau of Public Health. If the purchaser is not ready on the first day of September, 2008, to receive water from the seller under the provisions of this contract, there will be a penalty fee for delay in the connection in the amount of forty-five dollars (\$45.00) per day for the first ninety days and thereafter seventy-five dollars (\$75.00) per day until connection is made. When requested by the Purchaser and upon reasonable notice thereof, the Seller will make available to the contractor at the point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing, and trench filling the

system of the Purchaser during construction at a flat charge of one dollar and seventy-five cents (\$1.75) per thousand gallons which will be paid by the contractor or, on his failure to pay, by the Purchaser. Contractor shall provide any temporary piping and metering equipment required for metering water used by the contractor.

3. (Failure to Deliver, Maintenance by Purchaser, Prorated Supply Reductions and Joint Water Conservation Plan) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Purchaser agrees to maintain and manage its water distribution system in an efficient and economic manner to prevent waste and will take such action as may be necessary to ensure that water users comply with conservation measures. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the Seller agrees to maintain a supply of water at a reduced prorated amount to Purchaser so that Purchaser's individual water users shall receive a reduced or diminished amount of water in the same reduced ratio or proportion as the supply to Seller's individual water users is reduced or diminished. The parties agree to mutually develop and adhere to a water conservation plan and goal that ensures that water usage throughout the areas served by the parties meets the same conservation standards and requirements.

4. (Protocol for addressing issues, Binding Arbitration) Upon the execution of this document, the parties agree to develop a protocol for addressing any matters arising under this contract and any significant matters affecting either water supply system that

may affect the other party. The protocol shall include the designation of a point of contact for each party and shall provide for the appointment of a joint working group with an equal number of members designated by each party to address any significant issues that may require action or participation by the other party. If the working group is unable to resolve the matter, the parties agree to submit the issue or matter to be resolved for settlement by binding arbitration in accordance with the Rules of the American Arbitration Association.

5. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered is subject to modification as set by tariff by the Seller with approval by the West Virginia Public Service Commission. Other provisions of this contract may be modified or altered by written agreement between the parties.

6. (Regulatory Agencies) That this contract is subject to rules, regulations, or laws of State and local governments and agencies, including, but not limited to, the West Virginia Public Service Commission, the West Virginia Department of Environmental Protection, the West Virginia Division of Health; and the Seller and Purchaser will collaborate in obtaining permits, certificates, or the like, as may be required to comply therewith.

7. (Approval by Funding Organizations and Shared Costs of Future Growth) That the improvements being made to the water supply distribution system by the Purchaser is being financed by a grant from the Small Cities Block Grant Program of the West Virginia Development Office and a loan made or insured by the Bureau for Public Health through the Drinking Water Treatment Revolving Fund as administered by the West

Virginia Water Development Authority; and the provisions hereof pertaining to the undertakings of the Purchaser are conditioned upon the approval, in writing, of those organizations. If agreed to by the parties, the purchaser may impose impact fees and include in those fees reimbursement to the seller for the cost of meeting the water needs of new customers subject to the impact fee.

8. (Successor to Seller or Purchaser) That in the event of any occurrence rendering either the Seller or Purchaser incapable of performing under this contract, any successor of the Seller or Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights, liabilities and obligations of the non performing Seller or Purchaser hereunder.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in counterparts, each of which shall constitute an original.

**SELLER:**

City of Lewisburg West Virginia

By: *D. Manchester*  
Mayor

*Mark P. Estlin*  
Council Member

*Beverly D. White*  
Council Member

*Wade D. McClure*  
Council Member

*M. W. Conly*  
Council Member

*vacant*

Council Member

Attest: Sharon Timmerman Date: 3-20-07  
Recorder

**PURCHASER:**

Town of Ronceverte, West Virginia

By: Gail White  
Mayor

[Signature]  
Council Member

Attest: [Signature] Date: 22 MAR 07  
Recorder



## GRANT AGREEMENT

This Grant Agreement entered into by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council") and the CITY OF RONCEVERTE (the "Governmental Agency").

### RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed \$100,000 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

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

### TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Authority.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

6. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

7. The Governmental Agency shall list the Grant 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.

8. This Grant Agreement shall be governed by the laws of the State of West Virginia.

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

CITY OF RONCEVERTE

By: Gail White  
Its: Mayor  
Date: August 5, 2008

(SEAL)

Attest:

Janine E. Johnson  
Its: Recorder

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: [Signature]  
Its: Executive Director  
Date: August 5, 2008

(SEAL)

Attest:

Barbara B. Meadows  
Its: Secretary-Treasurer

## **Exhibit A**

### **Project Description**

The Project consists of the acquisition and construction of certain extensions, additions, betterments and improvements to the public waterworks system of the Issuer, consisting of abandoning the municipal water treatment plant, rehabilitate and install distribution lines, connect the water system to Lewisburg for the provision of water and construct a new storage tank, together with all appurtenant facilities (2000W-574).



# CLOSING MEMORANDUM

**To:** Financing Team  
**From:** John C. Stump, Esquire  
**Date:** September 5, 2008  
**Re:** City of Ronceverte Water Revenue Bonds, Series 2008 A (West Virginia DWTRF Program)

---

1. DISBURSEMENTS TO THE CITY OF RONCEVERTE

Payor: West Virginia Bureau for Public Health  
Amount: \$50,000  
Form: Wire  
Payee: City of Ronceverte  
Routing No. 061003415  
Receiving Institution: The Silverton Bank, Atlanta Georgia  
Beneficiary Institution: First National Bank  
Beneficiary Account No. 1005150155  
Account No: 608149  
Contact: Lori Honaker 304.647.4500  
Account: Series 2008 A Bonds Construction Trust Fund

09.02.08  
780310.00001



## CITY OF RONCEVERTE

P.O. Box 417  
Ronceverte, West Virginia 24970  
(304) 647-5455

July 7, 2008

Bob DeCrease, P.E.  
Bureau of Public Health  
Office of Environmental Health Services  
Environmental Engineering Division  
1 Davis Square  
Capital and Washington Street, Suite 200  
Charleston, West Virginia 25301

RE: City of Ronceverte – Water System Improvements and Upgrade  
Project #05DWTRF

Dear Mr. DeCrease:

In accordance with the drawdown procedures, this letter of transmittal contains a progress report on the above referenced loan to support the attached Project Requisition #27. Please find enclosed **Pay Request Number 1** for the City of Ronceverte water project.

The construction bids were opened June 12, 2008 with total base bids of \$2,662,500 for Contract #2 and \$425,700 for Contract #3. The total available project funds are \$2,799,878.86. The City immediately requested \$100,000 of IJDC grant assistance since the City has already raised their water rates 24% since June 30, 2007. With the IJDC grant of \$100,000 and the City reducing the radio read water meters and associated costs, City can award contracts to the low bidders Welding, Incorporated and Mid Atlantic Storage Systems.

The enclosed requisition represents the required 2.5% closing on each loan. The "prospective construction costs" requested will expended on the first construction invoice. The total amount of the DWTRF request is **\$50,000.00**.

If you have any questions or need additional information, please contact Alice M. King, Project Administrator at (304) 872-4970, Extension 11 or me.

Sincerely,

T. Gail White  
Mayor

**RESOLUTION OF THE CITY OF RONCEVERTE APPROVING  
INVOICES RELATING TO CONSTRUCTION AND OTHER SERVICES FOR THE  
PROPOSED RONCEVERTE WATER SYSTEM IMPROVEMENTS AND UPGRADE  
PROJECT AND AUTHORIZING PAYMENT THEREOF,**

**WHEREAS,** The City of Ronceverte has reviewed the invoices attached hereto and incorporated herein by reference relating to the construction of the Water System Improvements and Upgrade Project funded in part by the West Virginia Drinking Water Treatment Revolving Fund (DWTRF) and a Small Cities Community Development Block Grant (SCBG), and finds as follows:

- a) That none of the items for which the payment is proposed to be made has formed the basis for any disbursement heretofore made.
- b) That each item for which the payment is proposed to be paid is or was necessary in connection with the project and constitutes a cost of the project.
- c) That each of such costs has been otherwise properly incurred.
- d) That payment for each of the items proposed is due and owing as the date hereof.

**WHEREAS,** City of Ronceverte will deposit the DWTRF and SCBG money in the Water System Improvements and Upgrade Account and will apply said funds to the payment of eligible construction invoices received by City of Ronceverte and will directly disburse the funds.

**NOW, THEREFORE, BE IT RESOLVED** by the Ronceverte City Council as follows: The Council hereby authorizes and directs the payment of the attached invoices as follows:

| VENDOR   | INVOICE<br>AMOUNT  | SCBG               | DWTRF              |
|--|--------------------|--------------------|--------------------|
| <b>ARCH/ENGINEERING</b><br>Dunn Engineers, Inc.<br>400 South Ruffner Road<br>Charleston, WV 25314<br>Invoice #22 dated June 3, 2008                    | 14,063.96          | 14,063.96          |                    |
| <b>LAND ACQUISITION</b><br>N.E. Kelley Surveying Company<br>P.O. Box 296, 314 Edgar Avenue, Suite 216<br>Ronceverte, WV 24970<br>Invoice dated 6/26/08 | 597.00             | 597.00             |                    |
| <b>LEGAL</b><br>Perry W. Pauley, Attorney at Law<br>P.O. Box 453<br>Ronceverte, WV 24970-9998<br>Invoice dated 6/27/08; Services 5/27/08 – 6/27/08     | 750.00             | 750.00             |                    |
| <b>CONSTRUCTION</b><br>"PROSPECTIVE CONSTRUCTION COSTS"<br>for consideration per DWTRF 2.5% closing requirements                                       | 24,500.00          |                    | 24,500.00          |
| <b>BOND COUNSEL</b><br>Steptoe & Johnson PLLC<br>P.O. Box 1588<br>Charleston, WV 25326-1588<br>Bond Counsel Services                                   | 25,000.00          |                    | 25,000.00          |
| <b>REGISTRAR</b><br>Huntington National Bank<br>P.O. Box 633<br>Charleston, WV 25322-0633<br>Registrar Fee   | 500.00             |                    | 500.00             |
| <b>Totals:</b>   | <b>\$65,410.96</b> | <b>\$15,410.96</b> | <b>\$50,000.00</b> |

**ADOPTED BY THE CITY OF RONCEVERTE,** at the meeting held on the 7th day of July 2008.

**City of Ronceverte**

**City of Ronceverte**

By: T. Gail White  
T. Gail White, Mayor

By: Blaine D. Oborn  
Blaine D. Oborn, City Manager

**EXPENDITURE SCHEDULE**

Draw: July 7, 2008

**City of Ronceverte  
Water System Improvements  
04SCBG0056X**

|                          | As Per<br>Schedule B | Adjustments | Revised<br>Budget   | Paid Prior To<br>This Draw | Requested<br>This Draw | Paid to Date<br>(Column 4 + 5) | Remaining<br>(Column 3 - 6) |
|--------------------------|----------------------|-------------|---------------------|----------------------------|------------------------|--------------------------------|-----------------------------|
| A) Construction          | 825,378.86           | 0.00        | 825,378.86          | 0.00                       | 0.00                   | 0.00                           | 825,378.86                  |
| B) Engineering           | 513,000.00           | 0.00        | 513,000.00          | 229,526.25                 | 14,063.96              | 243,590.21                     | 269,409.79                  |
| C) Legal and Fiscal      | 59,403.00            | 0.00        | 59,403.00           | 32,287.00                  | 750.00                 | 33,037.00                      | 26,366.00                   |
| D) Administration        | 50,000.00            | 0.00        | 50,000.00           | 45,000.00                  | 0.00                   | 45,000.00                      | 5,000.00                    |
| E) Sites and Other Land: | 46,308.00            | 0.00        | 46,308.00           | 45,711.00                  | 597.00                 | 46,308.00                      | 0.00                        |
| F) Other Costs-Permits   | 5,910.14             | 0.00        | 5,910.14            | 5,910.14                   | 0.00                   | 5,910.14                       | 0.00                        |
| G) Contingency           | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                        |
| H) Bond Counsel          | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                        |
| I) Registrar             | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                        |
| <b>J) Totals</b>         | <b>1,500,000.00</b>  | <b>0.00</b> | <b>1,500,000.00</b> | <b>358,434.39</b>          | <b>15,410.96</b>       | <b>373,845.35</b>              | <b>1,126,154.65</b>         |

**03DWTRF027**

|                          | As Per<br>Schedule B | Adjustments | Revised<br>Budget   | Paid Prior To<br>This Draw | Requested<br>This Draw | Paid To Date<br>(Column 4 + 5) | Remaining<br>(Column 3-6) |
|--------------------------|----------------------|-------------|---------------------|----------------------------|------------------------|--------------------------------|---------------------------|
| A) Construction          | 1,974,500.00         | 0.00        | 1,974,500.00        | 0.00                       | 24,500.00              | 24,500.00                      | 1,950,000.00              |
| B) Engineering           | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| C) Legal and Fiscal      | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| D) Administration        | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| E) Sites and Other Land: | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| F) Other Costs-Permits   | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| G) Contingency           | 0.00                 | 0.00        | 0.00                | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| H) Bond Counsel          | 25,000.00            | 0.00        | 25,000.00           | 0.00                       | 25,000.00              | 25,000.00                      | 0.00                      |
| I) Registrar             | 500.00               | 0.00        | 500.00              | 0.00                       | 500.00                 | 500.00                         | 0.00                      |
| <b>J) Totals</b>         | <b>2,000,000.00</b>  | <b>0.00</b> | <b>2,000,000.00</b> | <b>0.00</b>                | <b>50,000.00</b>       | <b>50,000.00</b>               | <b>1,950,000.00</b>       |

**2000W-574**

|                          | As Per<br>Schedule B | Adjustments | Revised<br>Budget | Paid Prior To<br>This Draw | Requested<br>This Draw | Paid To Date<br>(Column 4 + 5) | Remaining<br>(Column 3-6) |
|--------------------------|----------------------|-------------|-------------------|----------------------------|------------------------|--------------------------------|---------------------------|
| A) Construction          | 21,321.14            | 0.00        | 21,321.14         | 0.00                       | 0.00                   | 0.00                           | 21,321.14                 |
| B) Engineering           | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| C) Legal and Fiscal      | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| D) Administration        | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| E) Sites and Other Land: | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| F) Other Costs-Permits   | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| G) Contingency           | 78,678.86            | 0.00        | 78,678.86         | 0.00                       | 0.00                   | 0.00                           | 78,678.86                 |
| H) Bond Counsel          | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| I) Registrar             | 0.00                 | 0.00        | 0.00              | 0.00                       | 0.00                   | 0.00                           | 0.00                      |
| <b>J) Totals</b>         | <b>100,000.00</b>    | <b>0.00</b> | <b>100,000.00</b> | <b>0.00</b>                | <b>0.00</b>            | <b>0.00</b>                    | <b>100,000.00</b>         |

**TOTAL PROJECT  
SUMMARY**

|                          | As Per<br>Schedule B | Adjustments | Revised<br>Budget   | Paid Prior To<br>This Draw | Requested<br>This Draw | Paid To Date<br>(Column 4 + 5) | Remaining<br>(Column 3 - 6) |
|--------------------------|----------------------|-------------|---------------------|----------------------------|------------------------|--------------------------------|-----------------------------|
| A) Construction          | 2,821,200.00         | 0.00        | 2,821,200.00        | 0.00                       | 24,500.00              | 24,500.00                      | 2,796,700.00                |
| B) Engineering           | 513,000.00           | 0.00        | 513,000.00          | 229,526.25                 | 14,063.96              | 243,590.21                     | 269,409.79                  |
| C) Legal and Fiscal      | 59,403.00            | 0.00        | 59,403.00           | 32,287.00                  | 750.00                 | 33,037.00                      | 26,366.00                   |
| D) Administration        | 50,000.00            | 0.00        | 50,000.00           | 45,000.00                  | 0.00                   | 45,000.00                      | 5,000.00                    |
| E) Sites and Other Land: | 46,308.00            | 0.00        | 46,308.00           | 45,711.00                  | 597.00                 | 46,308.00                      | 0.00                        |
| F) Other Costs-Permits   | 5,910.14             | 0.00        | 5,910.14            | 5,910.14                   | 0.00                   | 5,910.14                       | 0.00                        |
| G) Contingency           | 78,678.86            | 0.00        | 78,678.86           | 0.00                       | 0.00                   | 0.00                           | 78,678.86                   |
| H) Bond Counsel          | 25,000.00            | 0.00        | 25,000.00           | 0.00                       | 25,000.00              | 25,000.00                      | 0.00                        |
| I) Registrar             | 500.00               | 0.00        | 500.00              | 0.00                       | 500.00                 | 500.00                         | 0.00                        |
| <b>J) Totals</b>         | <b>3,600,000.00</b>  | <b>0.00</b> | <b>3,600,000.00</b> | <b>358,434.39</b>          | <b>65,410.96</b>       | <b>423,845.35</b>              | <b>3,176,154.65</b>         |

## SWEEP RESOLUTION

### City of Ronceverte

**WHEREAS**, The City of Ronceverte (the "Issuer") is a governmental body and political subdivision of West Virginia;

**WHEREAS**, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

**WHEREAS**, the Issuer makes or will make monthly debt service payments on and transfers reserve funds for the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

**WHEREAS**, the MBC may accept such monthly payments by electronic funds transfer, thereby eliminating delay in payments and lost checks;

**WHEREAS**, the Issuer finds and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic funds transfer with the State Treasurer sweeping the Issuer's account.

### **NOW THEREFORE BE IT RESOLVED AS FOLLOWS:**

- 1) The monthly debt service payments on and reserve funds for the Bonds, as set forth in Exhibit A, shall be made to the MBC by an electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.
- 2) The Mayor and Recorder are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.
- 3) This resolution shall be effective immediately upon adoption.

Adopted this 28th day of July, 2008.

  
\_\_\_\_\_  
Mayor

## EXHIBIT A

List each bond issue account and the Bank account number  
from which the electronic transfer will be made.

|   |             |                                  |
|---|-------------|----------------------------------|
| Water Revenue Bonds,<br>Series 2008 A<br>Sinking Fund | <u>1748</u> | \$840.27<br>(beginning 3/1/2010) |
|---|-------------|----------------------------------|

|  |             |                                  |
|--|-------------|----------------------------------|
| Water Revenue Bonds,<br>Series 2008 A<br>Reserve Account | <u>1748</u> | \$ 84.03<br>(beginning 3/1/2010) |
|--|-------------|----------------------------------|

**Required:**

Email for main contact: [boborn@roncevertewv.com](mailto:boborn@roncevertewv.com)