CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

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CITY OF WEIRTON

WATER REVENUE BONDS, SERIES 1997 A
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

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CITY OF WEIRTON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF WEIRTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $2,900,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF 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 WEIRTON:

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 22C, Article 2 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 Weirton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State.

B. The Issuer presently owns and operates a public water treatment and distribution system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments

and improvements to the existing waterworks system of the Issuer, consisting of a water treatment plant sludge dewatering and disposal facility, 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 City Clerk of the Issuer.

C. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund program (the "SRF Program"), pursuant to the Act, in order to take advantage of the favorable terms available to the Issuer under the SRF Program.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 1997 A (West Virginia SRF Program), in the total aggregate principal amount of not more than $2,900,000 (the "Series 1997 A Bonds"), to be initially represented by a single bond, to permanently finance costs of acquisition and construction of the Project. The remaining costs of the Project, if any, 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 upon the Series 1997 A Bonds prior to and during acquisition or construction of the Project and for a period not exceeding 6 months after completion of acquisition or construction of the Project; amounts which may be deposited in the Series 1997 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 Project; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF 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 1997 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 1997 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 1997 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP"), in form satisfactory to the Issuer,

the Authority and the DEP (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with or junior and subordinate to the Series 1997 A Bonds as to liens, pledge and source of and security for payment, which obligations are designated and have the lien positions with respect to the Series 1997 A Bonds as follows:

Designation	Lien Position
Water Revenue Bonds, Series 1991 A, dated May 23, 1991, issued in the original aggregate principal amount of $4,784,000 (the "Series 1991 A Bonds")	First Lien
Water Revenue Bonds, Series 1991 B, dated May 23, 1991, issued in the original aggregate principal amount of $216,000 (the "Series 1991 B Bonds")	Second Lien

The Series 1991 A Bonds and the Series 1991 B Bonds are hereinafter collectively called the "Prior Bonds."

The Series 1997 A Bonds shall be issued on a parity with the Series 1991 A Bonds and senior and prior to the Series 1991 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Series 1991 A Bonds and the ordinance authorizing the Series 1991 A Bonds and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. Prior to the issuance of the Series 1997 A Bonds, the Issuer shall obtain the written consent of the Holders of the Series 1991 A Bonds to the issuance of the Series 1997 A Bonds on a parity with the Series 1991 A Bonds, and the written consent of the Holders of the Series 1991 B Bonds to the issuance of the Series 1997 A Bonds on a senior and prior basis to the Series 1991 B Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which will rank prior to or on a parity with the Series 1997 A Bonds as to liens, pledge and/or source of and security for payment or in any other respects.

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 the costs of the operation and maintenance of said 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 and in the Prior Ordinance, all as such terms are hereinafter defined.

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 1997 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 1997 A Bonds or such final order will not be subject to appeal.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 1997 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefiting thereby reasonably expect to issue less than $5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 1997 A Bonds are to be issued.

K. The Project has been approved by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended, or is grandfathered from review thereby.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 1997 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 Registered Owners of any and all such Series 1997 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 19 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 1997 A Bonds, or

any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority.

"Authorized Officer" means the Mayor or City Manager of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

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

"Bondholder," "Holder of the Bonds," "Holder," "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.

"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.

"Bonds" means, collectively, the Series 1997 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"City Manager" means the City Manager of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 1997 A Bonds for the proceeds or at least a de minimis portion thereof representing the purchase price of the Series 1997 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.

"Completion Date" means the completion date of the Project, as defined in the SRF Regulations.

"Consulting Engineers" means Thrasher Engineering, Inc., Clarksburg, 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 1.02 hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the City Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council as presently constituted.

"DEP" means the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment, or any other agency, board or department of the State that succeeds to the functions of the DEP.

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

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

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

"Governing Body" 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.

"Grant" means all moneys received by the Issuer on account of any Grant.

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

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

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

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Issuer" means the City of Weirton, a municipal corporation and political subdivision of the State of West Virginia, in Brooke and Hancock Counties, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, into among the Authority, the DEP and the Issuer providing for the purchase of the Series 1997 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 1997 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 1997 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 1997 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds or any other proceeds of the Series 1997 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 1997 A Bonds.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, operation and maintenance of the System, as hereinafter defined, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing,

and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and Paying Agent (all as hereinafter defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Series 1997 A Bonds or the Prior Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created by the Prior Ordinance and continued hereby.

"Outstanding," when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds or Prior Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond or Prior Bonds cancelled by the Bond Registrar or Registrar for Prior Bonds, at or prior to said date; (ii) any Bond or any Prior Bonds for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption, shall be in trust 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; (iv) any Prior Bond deemed to have been paid; and (v) for purposes of consents or other action by a specified percentage of Bondholders or Holders of any Prior Bond, any Bond or any Prior 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 designated as such for the Series 1997 A Bonds in the Supplemental Resolution with the written consent of the Authority and the DEP.

"Prior Bonds" means, collectively, the Series 1991 A Bonds and the Series 1991 B Bonds of the Issuer.

"Prior Ordinance" means the ordinance of the Issuer enacted May 13, 1991, and the supplemental resolution of the Issuer adopted May 13, 1991, authorizing the Prior Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit

and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to "incidental use," if any, of the proceeds of the issue and/or proceeds used for "qualified improvements," if any.

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

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

(a) Government Obligations;

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

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

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

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

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

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or

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

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Investment Management pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

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

"Registered Owner," "Bondholder," "Holder" or any similar term 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 created by the Prior Ordinance and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Prior Bonds and the Series 1997 A Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in any reserve account for the Prior Bonds and the Series 1997 A Bonds.

"Revenue Fund" means the Revenue Fund created by the Prior Ordinance and continued hereby.

"Series 1991 A Bonds" means the Water Revenue Bonds, Series 1991 A, of the Issuer, dated May 23, 1991, issued in the original aggregate principal amount of $4,784,000.

"Series 1991 A Bonds Reserve Account" means the Series 1991 A Bonds Reserve Account established by the Prior Ordinance.

"Series 1991 A Bonds Sinking Fund" means the Series 1991 A Bonds Sinking Fund established by the Prior Ordinance.

"Series 1991 B Bonds" means the Water Revenue Bonds, Series 1991 B, of the Issuer, dated May 23, 1991, issued in the original aggregate principal amount of $216,000.

"Series 1991 B Bonds Reserve Account" means the Series 1991 B Bonds Reserve Account established by the Prior Ordinance.

"Series 1991 B Bonds Sinking Fund" means the Series 1991 B Bonds Sinking Fund established by the Prior Ordinance.

"Series 1997 A Bonds" means the not more than $2,900,000 in aggregate principal amount of Water Revenue Bonds, Series 1997 A (West Virginia SRF Program), of the Issuer, authorized by this Ordinance.

"Series 1997 A Bonds Reserve Account" means the Series 1997 A Bonds Reserve Account established in the Series 1997 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1997 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 1997 A Bonds in the then current or any succeeding year.

"Series 1997 A Bonds Sinking Fund" means the Series 1997 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Prior Bonds and the Series 1997 A Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid pursuant to the Loan Agreement.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"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 1997 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 1997 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 Series 1997 A Bonds, the Prior Bonds or any other obligation of the Issuer, including, without limitation, the Operation and Maintenance Fund, the Renewal and Replacement Fund and the Reserve Accounts.

"System" means the complete municipal waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any further extensions, additions, betterments and improvements thereto hereafter constructed or acquired from any sources whatsoever.

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

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $2,900,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 1997 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, compatible with the financing plan submitted to the SRF Program.

The cost of the Project is estimated not to exceed $2,900,000, of which the entire amount will be obtained from proceeds of the Series 1997 A Bonds.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 1997 A Bonds, funding a reserve account for the Series 1997 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 1997 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 1997 A Bonds of the Issuer, in the principal amount of not more than $2,900,000. The Series 1997 A Bonds shall be issued as a single Bond, designated "Water Revenue Bond, Series 1997 A (West Virginia SRF Program)" and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 1997 A Bonds remaining after funding of the Series 1997 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 1997 A Bonds, if any, shall be deposited in or credited to the Bond Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 1997 A Bonds 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 1997 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 1997 A Bonds, if any, shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 1997 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 1997 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 1997 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. The Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from the date so specified therein.

Section 3.03. Execution of Bonds. The Series 1997 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 1997 A Bonds shall cease to be such officer of the Issuer before the Series 1997 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 1997 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 the authorization of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 1997 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 1997 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 1997 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 1997 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 1997 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 1997 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 1997 A Bonds or transferring the registered Series 1997 A Bonds are exercised, all Series 1997 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 1997 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 1997 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 1997 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 1997 A Bonds or, in the case of any proposed redemption of Series 1997 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 1997 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 1997 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 1997 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1997 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 1997 A Bonds shall be secured forthwith equally and ratably with each other by a lien on the Gross Revenues derived from operation of the System, on parity with the lien on the Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the lien on the Gross Revenues in favor of the Holders of the Series 1991 B Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 1997 A Bonds and to make payments into all funds and accounts, and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 1997 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 1997 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 1997 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 1997 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 1997 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 1997 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 BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WEIRTON
WATER REVENUE BOND,
SERIES 1997 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WEIRTON, a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1, and December 1 of each year, commencing _____ 1, 199____, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said EXHIBIT B. The interest and the SRF 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, 199__, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection ("DEP"), and upon the terms and conditions prescribed

by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated _____, 199____.

This Bond is issued (i) to pay 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"); [(ii) to fund a reserve account for the Bonds of this Series (the "Bonds");] and (iii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further 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 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 199__, and a Supplemental Resolution duly adopted by the Issuer on _____, 199__ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S WATER REVENUE BONDS, SERIES 1991 A, DATED MAY 23, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,784,000 (THE "SERIES 1991 A BONDS").

THIS BOND IS ISSUED SENIOR AND PRIOR, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S WATER REVENUE BONDS, SERIES 1991 B , DATED MAY 23, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $216,000 (THE "SERIES 1991 B BONDS").

THE SERIES 1991 A BONDS AND THE SERIES 1991 B BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

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, on a parity with the pledge of Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the pledge of Gross Revenues in favor of the Holders of the Series 1991 B Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1997 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any

constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, or the interest hereon, except from said special fund provided from the Gross Revenues, the moneys in the Series 1997 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 junior to the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 1997 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 junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of 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 moneys, until so applied, in favor of the registered owner of this Bond.

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

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

IN WITNESS WHEREOF, the CITY OF WEIRTON has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 199__.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1997 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: _____, 199__.

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

(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 1997 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 or the City Manager 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 City Clerk 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.

Section 3.12. "Amended Schedule A" Filing. Within 60 days following the Completion Date, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance), and shall be held by, the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer, and from each other:

(1) Revenue Fund (established by the Prior Ordinance);

(2) Operation and Maintenance Fund (established by the Prior Ordinance);

(3) Renewal and Replacement Fund (established by the Prior Ordinance); and

(4) Bond Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance), 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 1991 A Bonds Sinking Fund (established by the Prior Ordinance);

(2) Within the Series 1991 A Bonds Sinking Fund, the Series 1991 A Bonds Reserve Account (established by the Prior Ordinance);

(3) Series 1991 B Bonds Sinking Fund (established by the Prior Ordinance);

(4) Within the Series 1991 B Bonds Sinking Fund, the Series 1991 B Bonds Reserve Account (established by the Prior Ordinance);

(5) Series 1997 A Bonds Sinking Fund; and

(6) Within the Series 1997 A Bonds Sinking Fund, the Series 1997 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and in the Prior Ordinance 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 and in the Prior Ordinance. 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 simultaneously remit to the Commission (i) for deposit in the Series 1991 A Bonds Sinking Fund the amount required by the Prior Ordinance to pay interest on the Series 1991 A Bonds and (ii) commencing 3 months prior to the first date of payment of interest on the Series 1997 A Bonds, for which interest has not been capitalized, or as required in the Loan Agreement, for deposit in the Series 1997 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 1997 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1997 A Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1991 A Bonds Sinking Fund the amount required by the Prior Ordinance to pay principal of the Series 1991 A Bonds and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1997 A Bonds, for deposit in the Series 1997 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 1997 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 1997 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.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the

Commission (i) for deposit in the Series 1991 A Bonds Reserve Account the amount required by the Prior Ordinance and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1997 A Bonds, if not fully funded upon issuance of the Series 1997 A Bonds, remit to the Commission for deposit in the Series 1997 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1997 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 1997 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 1997 A Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, from the moneys remaining in the Revenue Fund (as previously set forth in the Prior Ordinance and not in addition thereto), transfer to the Renewal and Replacement Fund, an amount 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, emergency repairs, improvements or extensions to the System; provided that, any deficiencies in the Reserve Accounts (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1991 B Bonds Sinking Fund the amount required by the Prior Ordinance to pay principal of the Series 1991 B Bonds.

(6) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1991 B Bonds Reserve Account the amount required by the Prior Ordinance.

(7) The Issuer shall next, each month, transfer from the Revenue Fund into the Operation and Maintenance Fund, an amount sufficient to pay all reasonable and proper expenses of operation, maintenance and repair of the System for the current month and from which disbursements shall be made only for that purpose. If in any

month for any reason there is a failure to transfer and pay the required amount into the Operation and Maintenance Fund, then the amount of any deficiency shall be added to the amount otherwise required to be transferred and paid into said Fund in the next succeeding month. Fixed annual charges, such as insurance and costs of major repairs and maintenance, may be computed and set up on an annual basis and 1/12th of the amount thereof may be accumulated in said Fund each month.

Moneys in the Series 1997 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 1997 A Bonds as the same shall become due. Moneys in the Series 1997 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 1997 A Bonds as the same shall come due, when other moneys in the Series 1997 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 1997 A Bonds Sinking Fund and Series 1997 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 Bond 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 payments, if any, due on the Series 1997 A Bonds and then to the next ensuing principal payments due thereon.

Any withdrawals from the Series 1997 A Bonds Reserve Account which result in a reduction in the balance of the Series 1997 A Bonds Reserve Account to below the Series 1997 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 order as set forth above.

As and when additional Bonds ranking on a parity with the Series 1997 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional Bonds.

The Issuer shall not be required to make any further payments into the Series 1997 A Bonds Sinking Fund or the Series 1997 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 1997 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 1991 A Bonds and

Series 1997 A Bonds in accordance with the respective principal amounts then Outstanding, and thereafter with respect to the Series 1991 B Bonds.

The Commission is hereby designated as the fiscal agent for the administration of the Series 1997 A Bonds Sinking Fund and the Series 1997 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. If at any time required by the Authority, the Issuer shall make the necessary arrangements whereby required payments into the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account shall be automatically deducted from the Revenue Fund and transferred to the Commission on the dates required hereunder.

Moneys in the Series 1997 A Bonds Sinking Fund and the Series 1997 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 1997 A Bonds Sinking Fund, including the Series 1997 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 1997 A Bonds and any additional Bonds ranking on a parity therewith that may be issued and Outstanding under the conditions and restrictions hereinafter set forth.

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

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 1997 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. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall also, 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 SRF Administrative Fee as set forth in Schedule Y attached to the Loan Agreement.

D. 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.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges, fees and expenses then due.

F. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund, the Renewal and Replacement Fund, the Operation and Maintenance Fund and the Bond Construction Trust Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

G. 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 relevant provisions of the Prior Ordinance, and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 1997 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 1997 A Bonds, there shall first be deposited with the Commission in the Series 1997 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 1997 A Bonds for the period commencing on the date of issuance of the Series 1997 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 1997 A Bonds, there shall be deposited with the Commission in the Series 1997 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 1997 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 1997 A Bonds, such moneys shall be deposited with the Depository Bank in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof.

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 1997 A Bonds shall be used to fund the Series 1997 A Bonds Reserve Account, if not funded upon issuance of the Series 1997 A Bonds, in an amount not to exceed the Series 1997 A Bonds Reserve Requirement; provided that, in no event shall more than 10% of the proceeds of the Series 1997 A Bonds be deposited in the Series 1997 A Bonds Reserve Account.

Section 6.02. Disbursements From the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 1997 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Bond Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement as Exhibit C, and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

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

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

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

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

Pending such application, moneys in the Bond Construction Trust Fund, including any accounts therein, 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 1997 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 1997 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 1997 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 1997 A Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 1997 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1997 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 1997 A Bonds shall be secured forthwith equally and ratably with each other by a lien on the Gross Revenues derived from the operation of the System, on parity with the lien on such Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the lien on such Gross Revenues in favor of the Holders of the Series 1991 B Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 1997 A Bonds and to make 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 initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted July 5, 1996, which rates are incorporated herein by reference as a part hereof.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinance. Additionally, so long as the Series 1997 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole,

and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease the pledge created by this Bond Legislation 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 1997 A Bonds, immediately be remitted to the Commission for deposit in the Series 1997 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 apply such proceeds to the payment of principal of and interest on the Series 1997 A Bonds as prescribed by Section 10.01 hereof. Any balance remaining after the payment of all the Series 1997 A Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine, upon consultation with the Consulting Engineers, that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property aggregating during such Fiscal Year in excess of $10,000 and not in excess of $50,000 shall, with the written consent of the Authority, be remitted by the Issuer to the Commission for deposit in the Sinking Funds and shall be applied only to the purchase of the Bonds outstanding. Such payment of such proceeds into the Sinking Funds or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation.

No sale, lease, or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of all 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 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 1997 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 1997 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 1997 A Bonds and the Prior Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation and the Prior Ordinance have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 1997 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 1997 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the DEP 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 System, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 1997 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP and without complying with the conditions and requirements herein provided, unless less restrictive than the provisions of the Prior Ordinance.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1997 A Bonds.

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

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified

Public Accountants, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding, including, without limitation, the Prior Bonds;

(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 delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the City Clerk prior to the issuance of such Parity Bonds.

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

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate acquisition and construction of such additions, extensions, betterments or improvements to the System which are to be financed by such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds theretofore or

subsequently issued from time to time within the limitations of and in compliance with this section and the Prior Ordinance. All the Series 1997 A Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 1997 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or equally, as to lien on and source of and security for payment from such revenues, with the Series 1997 A Bonds except in the manner and under the conditions provided in this section.

No Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation and the Prior Ordinance with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation and the Prior Ordinance, shall have been made in full as required to the date of issuance of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation and the Prior Ordinance and every ordinance supplemental thereto, or shall have fully corrected any delinquency or deficiency in such payments and compliance.

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

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 DEP, 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 DEP 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 DEP, or their agents and representatives, to inspect all records pertaining to the operation 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 Governing Body. The Governing Body shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer, shall file with the Consulting Engineers, the Authority, and the DEP, or any other original purchaser of the Series 1997 A Bonds, and shall mail in each year to any Holder or Holders of the Series 1997 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 payable from the revenues of the System outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with OMB Circular 128 or any successor thereof and the Single Audit Act and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 1997 A Bonds

and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 1997 A Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service requirements.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in Exhibit E of the Loan Agreement or as promulgated from time to time.

The Issuer shall permit the Authority or the DEP, 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 of the Project, the Issuer shall also provide the Authority and the DEP, 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 DEP with respect to the System pursuant to the Act.

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created (or, where appropriate, continued) hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1997 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 1997 A Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 1997 A Bonds Reserve Account and any reserve accounts for obligations on a parity with or junior to the Series 1997 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1997 A Bonds and all other obligations secured by a lien

on or payable from such revenues on a parity with or junior to the Series 1997 A Bonds, including the Prior Bonds. In any event, subject to any requirements of law, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the DEP 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 DEP and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, 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 in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement as Exhibit B, and forward a copy of such report to the Authority and the DEP 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 DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the DEP 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 resident engineering services satisfactory to the Authority and the DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority, the DEP 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 SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed.

The Issuer agrees that qualified operating personnel properly certified by the State will be employed before the Project is 25% complete and agrees that it will retain such a certified operator(s) to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 25% 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 of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public

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

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 1997 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 in the full insurable value thereof, 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 BONDS, such bonds to be in the amounts of 100% of the amount of any 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 System facilities 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 System or 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 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 DEP. 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 Public Service Commission of West Virginia for the acquisition and construction of the Project and the operation of the System.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer agrees to 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 DEP with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the DEP 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. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 1997 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 1997 A Bonds during the term thereof is, under the terms of the Series 1997 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 1997 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 1997 A Bonds during the term thereof is, under the terms of the Series 1997 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for

said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 1997 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 1997 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 1997 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 1997 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 1997 A Bonds and the interest, if any, thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest, if any, on the Series 1997 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Statutory Mortgage Lien. For the further protection of the Holders of the Series 1997 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 1997 A Bonds, and shall be on a parity with the statutory mortgage lien in favor of the Holder of the Series 1991 A Bonds, and senior and prior to the statutory mortgage lien in favor of the Holder of the Series 1991 B Bonds.

Section 7.21. 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).

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation 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 Prior Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own 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 Series 1997 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 1997 A Bonds which would cause the Series 1997 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a Federal information return with respect to the Series 1997 A Bonds) so that the interest, if any, on the

Series 1997 A Bonds will be and remain excludable from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Series 1997 A Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Series 1997 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Series 1997 A Bonds are issued does not and will not exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect and applicable to the Series 1997 A Bonds. For purposes of the first paragraph of Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1997 A Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1997 A Bonds. In the event of a failure to pay the correct rebate amount, the Issuer shall pay, from any lawful sources available therefor, to the United States such rebate amount, plus a penalty equal to 50% of the rebate amount not paid when required to be paid, plus interest on that amount, unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in

preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 1997 A Bonds subject to rebate. The Issuer shall also furnish the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

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

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

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

(4) If default occurs with respect to the Prior Bonds or the Prior Ordinance.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including, but not limited to, the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 1997 A Bonds shall be on a parity with the Holders of the Series 1991 A Bonds and senior and prior to those of the Holders of the Series 1991 B Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after

commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to the Series 1997 A 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

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Series 1997 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 moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1997 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 1997 A Bonds from gross income for federal income tax purposes.

Series 1997 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 1997 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1997 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay, when due, the principal installments of and interest due and to become due on said Series 1997 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1997 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestment shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 1997 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 1997 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 1997 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 1997 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest 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 Series 1997 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 1997 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 Series 1997 A 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 1997 A Bonds.

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

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

this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

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

Section 11.07. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

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 Weirton Daily Times, a qualified newspaper published and of general circulation in the City of Weirton, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 1997 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.

Passed on First Reading:	-	May 12, 1997
Passed on Second Reading:	-	May 19, 1997
Passed on Final Reading Following Public Hearing:	-	June 9, 1997

Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF WEIRTON on the 9th day of June, 1997.

Dated: April 8, 1998.

[SEAL]

City Clerk

04/01/98
949750/97001

*CONFORMED COPY

*Reflects amendments set forth in the
Supplemental Resolution adopted March 30, 1998

CITY OF WEIRTON

WATER REVENUE BONDS, SERIES 1998 A
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

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CITY OF WEIRTON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF WEIRTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $2,900,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1998 A (WEST VIRGINIA SRF 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 WEIRTON:

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 22C, Article 2 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 Weirton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State.

B. The Issuer presently owns and operates a public water treatment and distribution system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments

and improvements to the existing waterworks system of the Issuer, consisting of a water treatment plant sludge dewatering and disposal facility, 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 City Clerk of the Issuer.

C. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund program (the "SRF Program"), pursuant to the Act, in order to take advantage of the favorable terms available to the Issuer under the SRF Program.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), in the total aggregate principal amount of not more than $2,900,000 (the "Series 1998 A Bonds"), to be initially represented by a single bond, to permanently finance costs of acquisition and construction of the Project. The remaining costs of the Project, if any, 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 upon the Series 1998 A Bonds prior to and during acquisition or construction of the Project and for a period not exceeding 6 months after completion of acquisition or construction of the Project; amounts which may be deposited in the Series 1998 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 Project; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF 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 1998 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 1998 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 1998 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP"), in form satisfactory to the Issuer,

the Authority and the DEP (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with or junior and subordinate to the Series 1998 A Bonds as to liens, pledge and source of and security for payment, which obligations are designated and have the lien positions with respect to the Series 1998 A Bonds as follows:

Designation	Lien Position
Water Revenue Bonds, Series 1991 A, dated May 23, 1991, issued in the original aggregate principal amount of $4,784,000 (the "Series 1991 A Bonds")	First Lien
Water Revenue Bonds, Series 1991 B, dated May 23, 1991, issued in the original aggregate principal amount of $216,000 (the "Series 1991 B Bonds")	Second Lien

The Series 1991 A Bonds and the Series 1991 B Bonds are hereinafter collectively called the "Prior Bonds."

The Series 1998 A Bonds shall be issued on a parity with the Series 1991 A Bonds and senior and prior to the Series 1991 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Series 1991 A Bonds and the ordinance authorizing the Series 1991 A Bonds and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. Prior to the issuance of the Series 1998 A Bonds, the Issuer shall obtain the written consent of the Holders of the Series 1991 A Bonds to the issuance of the Series 1998 A Bonds on a parity with the Series 1991 A Bonds, and the written consent of the Holders of the Series 1991 B Bonds to the issuance of the Series 1998 A Bonds on a senior and prior basis to the Series 1991 B Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which will rank prior to or on a parity with the Series 1998 A Bonds as to liens, pledge and/or source of and security for payment or in any other respects.

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 the costs of the operation and maintenance of said 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 and in the Prior Ordinance, all as such terms are hereinafter defined.

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 1998 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the obtaining of a certificate of convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 1998 A Bonds or such final order will not be subject to appeal.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 1998 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefiting thereby reasonably expect to issue less than $5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 1998 A Bonds are to be issued.

K. The Project has been approved by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended, or is grandfathered from review thereby.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 1998 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 Registered Owners of any and all such Series 1998 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 19 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 1998 A Bonds, or

any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority.

"Authorized Officer" means the Mayor or City Manager of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

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

"Bondholder," "Holder of the Bonds," "Holder," "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.

"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.

"Bonds" means, collectively, the Series 1998 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"City Manager" means the City Manager of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 1998 A Bonds for the proceeds or at least a de minimis portion thereof representing the purchase price of the Series 1998 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.

"Completion Date" means the completion date of the Project, as defined in the SRF Regulations.

"Consulting Engineers" means Thrasher Engineering, Inc., Clarksburg, 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 1.02 hereof to be a part of the cost of acquisition and construction of the Project.

"Council" means the City Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council as presently constituted.

"DEP" means the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment, or any other agency, board or department of the State that succeeds to the functions of the DEP.

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

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

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

"Governing Body" 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.

"Grant" means all moneys received by the Issuer on account of any Grant.

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

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

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

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the Code), obligation, annuity contract, investment-type property or residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan, excluding, however, obligations the interest on which is excluded from gross income, under Section 103 of the Code, for federal income tax purposes other than specified private activity bonds as defined in Section 57(a)(5)(C) of the Code.

"Issuer" means the City of Weirton, a municipal corporation and political subdivision of the State of West Virginia, in Brooke and Hancock Counties, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, into among the Authority, the DEP and the Issuer providing for the purchase of the Series 1998 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 1998 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 1998 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 1998 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds or any other proceeds of the Series 1998 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 1998 A Bonds.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, operation and maintenance of the System, as hereinafter defined, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing,

and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and Paying Agent (all as hereinafter defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Series 1998 A Bonds or the Prior Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Operation and Maintenance Fund" means the Operation and Maintenance Fund created by the Prior Ordinance and continued hereby.

"Outstanding," when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds or Prior Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond or Prior Bonds cancelled by the Bond Registrar or Registrar for Prior Bonds, at or prior to said date; (ii) any Bond or any Prior Bonds for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption, shall be in trust 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; (iv) any Prior Bond deemed to have been paid; and (v) for purposes of consents or other action by a specified percentage of Bondholders or Holders of any Prior Bond, any Bond or any Prior 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 designated as such for the Series 1998 A Bonds in the Supplemental Resolution with the written consent of the Authority and the DEP.

"Prior Bonds" means, collectively, the Series 1991 A Bonds and the Series 1991 B Bonds of the Issuer.

"Prior Ordinance" means the ordinance of the Issuer enacted May 13, 1991, and the supplemental resolution of the Issuer adopted May 13, 1991, authorizing the Prior Bonds.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit

and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to "incidental use," if any, of the proceeds of the issue and/or proceeds used for "qualified improvements," if any.

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

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

(a) Government Obligations;

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

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

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

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

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

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or

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

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Investment Management pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

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

"Registered Owner," "Bondholder," "Holder" or any similar term 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 created by the Prior Ordinance and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Prior Bonds and the Series 1998 A Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in any reserve account for the Prior Bonds and the Series 1998 A Bonds.

"Revenue Fund" means the Revenue Fund created by the Prior Ordinance and continued hereby.

"Series 1991 A Bonds" means the Water Revenue Bonds, Series 1991 A, of the Issuer, dated May 23, 1991, issued in the original aggregate principal amount of $4,784,000.

"Series 1991 A Bonds Reserve Account" means the Series 1991 A Bonds Reserve Account established by the Prior Ordinance.

"Series 1991 A Bonds Sinking Fund" means the Series 1991 A Bonds Sinking Fund established by the Prior Ordinance.

"Series 1991 B Bonds" means the Water Revenue Bonds, Series 1991 B, of the Issuer, dated May 23, 1991, issued in the original aggregate principal amount of $216,000.

"Series 1991 B Bonds Reserve Account" means the Series 1991 B Bonds Reserve Account established by the Prior Ordinance.

"Series 1991 B Bonds Sinking Fund" means the Series 1991 B Bonds Sinking Fund established by the Prior Ordinance.

"Series 1998 A Bonds" means the not more than $2,900,000 in aggregate principal amount of Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), of the Issuer, authorized by this Ordinance.

"Series 1998 A Bonds Reserve Account" means the Series 1998 A Bonds Reserve Account established in the Series 1998 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1998 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 1998 A Bonds in the then current or any succeeding year.

"Series 1998 A Bonds Sinking Fund" means the Series 1998 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Prior Bonds and the Series 1998 A Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid pursuant to the Loan Agreement.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"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 1998 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 1998 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 Series 1998 A Bonds, the Prior Bonds or any other obligation of the Issuer, including, without limitation, the Operation and Maintenance Fund, the Renewal and Replacement Fund and the Reserve Accounts.

"System" means the complete municipal waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any further extensions, additions, betterments and improvements thereto hereafter constructed or acquired from any sources whatsoever.

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

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $2,900,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 1998 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, compatible with the financing plan submitted to the SRF Program.

The cost of the Project is estimated not to exceed $2,900,000, of which the entire amount will be obtained from proceeds of the Series 1998 A Bonds.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 1998 A Bonds, funding a reserve account for the Series 1998 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 1998 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 1998 A Bonds of the Issuer, in the principal amount of not more than $2,900,000. The Series 1998 A Bonds shall be issued as a single Bond, designated "Water Revenue Bond, Series 1998 A (West Virginia SRF Program)" and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 1998 A Bonds remaining after funding of the Series 1998 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 1998 A Bonds, if any, shall be deposited in or credited to the Bond Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 1998 A Bonds 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 1998 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 1998 A Bonds, if any, shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 1998 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 1998 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 1998 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. The Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from the date so specified therein.

Section 3.03. Execution of Bonds. The Series 1998 A Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 1998 A Bonds shall cease to be such officer of the Issuer before the Series 1998 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 1998 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 the authorization of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 1998 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 1998 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 1998 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 1998 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 1998 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 1998 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 1998 A Bonds or transferring the registered Series 1998 A Bonds are exercised, all Series 1998 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 1998 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 1998 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 1998 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 1998 A Bonds or, in the case of any proposed redemption of Series 1998 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 1998 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 1998 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 1998 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1998 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 1998 A Bonds shall be secured forthwith equally and ratably with each other by a lien on the Gross Revenues derived from operation of the System, on parity with the lien on the Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the lien on the Gross Revenues in favor of the Holders of the Series 1991 B Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 1998 A Bonds and to make payments into all funds and accounts, and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 1998 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 1998 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 1998 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 1998 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 1998 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 1998 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 BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WEIRTON
WATER REVENUE BOND,
SERIES 1998 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WEIRTON, a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1, and December 1 of each year, commencing _____ 1, 199____, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said EXHIBIT B. The interest and the SRF 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, 199__, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection ("DEP"), and upon the terms and conditions prescribed

by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated _____, 199____.

This Bond is issued (i) to pay 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"); [(ii) to fund a reserve account for the Bonds of this Series (the "Bonds");] and (iii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further 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 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 199__, and a Supplemental Resolution duly adopted by the Issuer on _____, 199__ (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S WATER REVENUE BONDS, SERIES 1991 A, DATED MAY 23, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,784,000 (THE "SERIES 1991 A BONDS").

THIS BOND IS ISSUED SENIOR AND PRIOR, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S WATER REVENUE BONDS, SERIES 1991 B , DATED MAY 23, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $216,000 (THE "SERIES 1991 B BONDS").

THE SERIES 1991 A BONDS AND THE SERIES 1991 B BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

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, on a parity with the pledge of Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the pledge of Gross Revenues in favor of the Holders of the Series 1991 B Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1998 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any

constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, or the interest hereon, except from said special fund provided from the Gross Revenues, the moneys in the Series 1998 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 junior to the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 1998 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 junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of 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 moneys, until so applied, in favor of the registered owner of this Bond.

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

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

IN WITNESS WHEREOF, the CITY OF WEIRTON has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 199__.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1998 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: _____, 199__.

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

(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 1998 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 or the City Manager 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 City Clerk 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.

Section 3.12. "Amended Schedule A" Filing. Within 60 days following the Completion Date, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance), and shall be held by, the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer, and from each other:

(1) Revenue Fund (established by the Prior Ordinance);

(2) Operation and Maintenance Fund (established by the Prior Ordinance);

(3) Renewal and Replacement Fund (established by the Prior Ordinance); and

(4) Bond Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Ordinance), 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 1991 A Bonds Sinking Fund (established by the Prior Ordinance);

(2) Within the Series 1991 A Bonds Sinking Fund, the Series 1991 A Bonds Reserve Account (established by the Prior Ordinance);

(3) Series 1991 B Bonds Sinking Fund (established by the Prior Ordinance);

(4) Within the Series 1991 B Bonds Sinking Fund, the Series 1991 B Bonds Reserve Account (established by the Prior Ordinance);

(5) Series 1998 A Bonds Sinking Fund; and

(6) Within the Series 1998 A Bonds Sinking Fund, the Series 1998 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and in the Prior Ordinance 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 and in the Prior Ordinance. 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 simultaneously remit to the Commission (i) for deposit in the Series 1991 A Bonds Sinking Fund the amount required by the Prior Ordinance to pay interest on the Series 1991 A Bonds and (ii) commencing 3 months prior to the first date of payment of interest on the Series 1998 A Bonds, for which interest has not been capitalized, or as required in the Loan Agreement, for deposit in the Series 1998 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 1998 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1998 A Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1991 A Bonds Sinking Fund the amount required by the Prior Ordinance to pay principal of the Series 1991 A Bonds and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1998 A Bonds, for deposit in the Series 1998 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 1998 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 1998 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.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the

Commission (i) for deposit in the Series 1991 A Bonds Reserve Account the amount required by the Prior Ordinance and (ii) commencing 3 months prior to the first date of payment of principal of the Series 1998 A Bonds, if not fully funded upon issuance of the Series 1998 A Bonds, remit to the Commission for deposit in the Series 1998 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1998 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 1998 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 1998 A Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, from the moneys remaining in the Revenue Fund (as previously set forth in the Prior Ordinance and not in addition thereto), transfer to the Renewal and Replacement Fund, an amount 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, emergency repairs, improvements or extensions to the System; provided that, any deficiencies in the Reserve Accounts (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1991 B Bonds Sinking Fund the amount required by the Prior Ordinance to pay principal of the Series 1991 B Bonds.

(6) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1991 B Bonds Reserve Account the amount required by the Prior Ordinance.

(7) The Issuer shall next, each month, transfer from the Revenue Fund into the Operation and Maintenance Fund, an amount sufficient to pay all reasonable and proper expenses of operation, maintenance and repair of the System for the current month and from which disbursements shall be made only for that purpose. If in any

month for any reason there is a failure to transfer and pay the required amount into the Operation and Maintenance Fund, then the amount of any deficiency shall be added to the amount otherwise required to be transferred and paid into said Fund in the next succeeding month. Fixed annual charges, such as insurance and costs of major repairs and maintenance, may be computed and set up on an annual basis and 1/12th of the amount thereof may be accumulated in said Fund each month.

Moneys in the Series 1998 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 1998 A Bonds as the same shall become due. Moneys in the Series 1998 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 1998 A Bonds as the same shall come due, when other moneys in the Series 1998 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 1998 A Bonds Sinking Fund and Series 1998 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 Bond 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 payments, if any, due on the Series 1998 A Bonds and then to the next ensuing principal payments due thereon.

Any withdrawals from the Series 1998 A Bonds Reserve Account which result in a reduction in the balance of the Series 1998 A Bonds Reserve Account to below the Series 1998 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 order as set forth above.

As and when additional Bonds ranking on a parity with the Series 1998 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional Bonds.

The Issuer shall not be required to make any further payments into the Series 1998 A Bonds Sinking Fund or the Series 1998 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 1998 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 1991 A Bonds and

Series 1998 A Bonds in accordance with the respective principal amounts then Outstanding, and thereafter with respect to the Series 1991 B Bonds.

The Commission is hereby designated as the fiscal agent for the administration of the Series 1998 A Bonds Sinking Fund and the Series 1998 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. If at any time required by the Authority, the Issuer shall make the necessary arrangements whereby required payments into the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account shall be automatically deducted from the Revenue Fund and transferred to the Commission on the dates required hereunder.

Moneys in the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 1998 A Bonds Sinking Fund, including the Series 1998 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 1998 A Bonds and any additional Bonds ranking on a parity therewith that may be issued and Outstanding under the conditions and restrictions hereinafter set forth.

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

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 1998 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. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall also, 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 SRF Administrative Fee as set forth in Schedule Y attached to the Loan Agreement.

D. 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.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges, fees and expenses then due.

F. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund, the Renewal and Replacement Fund, the Operation and Maintenance Fund and the Bond Construction Trust Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

G. 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 relevant provisions of the Prior Ordinance, and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 1998 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 1998 A Bonds, there shall first be deposited with the Commission in the Series 1998 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 1998 A Bonds for the period commencing on the date of issuance of the Series 1998 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 1998 A Bonds, there shall be deposited with the Commission in the Series 1998 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 1998 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 1998 A Bonds, such moneys shall be deposited with the Depository Bank in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof.

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 1998 A Bonds shall be used to fund the Series 1998 A Bonds Reserve Account, if not funded upon issuance of the Series 1998 A Bonds, in an amount not to exceed the Series 1998 A Bonds Reserve Requirement; provided that, in no event shall more than 10% of the proceeds of the Series 1998 A Bonds be deposited in the Series 1998 A Bonds Reserve Account.

Section 6.02. Disbursements From the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 1998 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Bond Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement as Exhibit C, and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

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

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

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

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

Pending such application, moneys in the Bond Construction Trust Fund, including any accounts therein, 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 1998 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 1998 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 1998 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 1998 A Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 1998 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1998 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 1998 A Bonds shall be secured forthwith equally and ratably with each other by a lien on the Gross Revenues derived from the operation of the System, on parity with the lien on such Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the lien on such Gross Revenues in favor of the Holders of the Series 1991 B Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Series 1998 A Bonds and to make 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 initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted July 5, 1996, which rates are incorporated herein by reference as a part hereof.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinance. Additionally, so long as the Series 1998 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole,

and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease the pledge created by this Bond Legislation 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 1998 A Bonds, immediately be remitted to the Commission for deposit in the Series 1998 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 apply such proceeds to the payment of principal of and interest on the Series 1998 A Bonds as prescribed by Section 10.01 hereof. Any balance remaining after the payment of all the Series 1998 A Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine, upon consultation with the Consulting Engineers, that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property aggregating during such Fiscal Year in excess of $10,000 and not in excess of $50,000 shall, with the written consent of the Authority, be remitted by the Issuer to the Commission for deposit in the Sinking Funds and shall be applied only to the purchase of the Bonds outstanding. Such payment of such proceeds into the Sinking Funds or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation.

No sale, lease, or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of all 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 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 1998 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 1998 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 1998 A Bonds and the Prior Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation and the Prior Ordinance have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 1998 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 1998 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the DEP 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 System, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 1998 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP and without complying with the conditions and requirements herein provided, unless less restrictive than the provisions of the Prior Ordinance.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1998 A Bonds.

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

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified

Public Accountants, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding, including, without limitation, the Prior Bonds;

(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 delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the City Clerk prior to the issuance of such Parity Bonds.

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

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate acquisition and construction of such additions, extensions, betterments or improvements to the System which are to be financed by such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds theretofore or

subsequently issued from time to time within the limitations of and in compliance with this section and the Prior Ordinance. All the Series 1998 A Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Gross Revenues of the System, and their source of and security for payment from said Gross Revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 1998 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or equally, as to lien on and source of and security for payment from such revenues, with the Series 1998 A Bonds except in the manner and under the conditions provided in this section.

No Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation and the Prior Ordinance with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation and the Prior Ordinance, shall have been made in full as required to the date of issuance of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation and the Prior Ordinance and every ordinance supplemental thereto, or shall have fully corrected any delinquency or deficiency in such payments and compliance.

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

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 DEP, 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 DEP 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 DEP, or their agents and representatives, to inspect all records pertaining to the operation 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 Governing Body. The Governing Body shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer, shall file with the Consulting Engineers, the Authority, and the DEP, or any other original purchaser of the Series 1998 A Bonds, and shall mail in each year to any Holder or Holders of the Series 1998 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 payable from the revenues of the System outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with OMB Circular 128 or any successor thereof and the Single Audit Act and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 1998 A Bonds

and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 1998 A Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service requirements.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in Exhibit E of the Loan Agreement or as promulgated from time to time.

The Issuer shall permit the Authority or the DEP, 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 of the Project, the Issuer shall also provide the Authority and the DEP, 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 DEP with respect to the System pursuant to the Act.

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created (or, where appropriate, continued) hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1998 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 1998 A Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 1998 A Bonds Reserve Account and any reserve accounts for obligations on a parity with or junior to the Series 1998 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 1998 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 1998 A Bonds,

including the Prior Bonds. In any event, subject to any requirements of law, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the DEP 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 DEP and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, 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 in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement as Exhibit B, and forward a copy of such report to the Authority and the DEP 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 DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the DEP 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 resident engineering services satisfactory to the Authority and the DEP covering the supervision and

inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority, the DEP 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 SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed.

The Issuer agrees that qualified operating personnel properly certified by the State will be employed before the Project is 25% complete and agrees that it will retain such a certified operator(s) to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 25% 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 of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

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

agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 1998 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 in the full insurable value thereof, 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 BONDS, such bonds to be in the amounts of 100% of the amount of any 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 System facilities 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 System or 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 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 DEP. 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 Public Service Commission of West Virginia for the acquisition and construction of the Project and the operation of the System.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer agrees to 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 DEP with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the DEP 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. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 1998 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 1998 A Bonds during the term thereof is, under the terms of the Series 1998 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 1998 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 1998 A Bonds during the term thereof is, under the terms of the Series 1998 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then

said excess over said 5% of Net Proceeds of the Series 1998 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 1998 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 1998 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 1998 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 1998 A Bonds and the interest, if any, thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest, if any, on the Series 1998 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Statutory Mortgage Lien. For the further protection of the Holders of the Series 1998 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 1998 A Bonds, and shall be on a parity with the statutory mortgage lien in favor of the Holder of the Series 1991 A Bonds, and senior and prior to the statutory mortgage lien in favor of the Holder of the Series 1991 B Bonds.

Section 7.21. 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).

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation 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 Prior Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own 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 Series 1998 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 1998 A Bonds which would cause the Series 1998 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a Federal information return with respect to the Series 1998 A Bonds) so that the interest, if any, on the

Series 1998 A Bonds will be and remain excludable from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Series 1998 A Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Series 1998 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Series 1998 A Bonds are issued does not and will not exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 A Bonds. For purposes of the first paragraph of Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 A Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 A Bonds. In the event of a failure to pay the correct rebate amount, the Issuer shall pay, from any lawful sources available therefor, to the United States such rebate amount, plus a penalty equal to 50% of the rebate amount not paid when required to be paid, plus interest on that amount, unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in

preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 1998 A Bonds subject to rebate. The Issuer shall also furnish the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

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

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

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

(4) If default occurs with respect to the Prior Bonds or the Prior Ordinance.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including, but not limited to, the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 1998 A Bonds shall be on a parity with the Holders of the Series 1991 A Bonds and senior and prior to those of the Holders of the Series 1991 B Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after

commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to the Series 1998 A 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

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Series 1998 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 moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1998 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 1998 A Bonds from gross income for federal income tax purposes.

Series 1998 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 1998 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1998 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay, when due, the principal installments of and interest due and to become due on said Series 1998 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1998 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestment shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 1998 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 1998 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 1998 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 1998 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest 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 Series 1998 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 1998 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 Series 1998 A 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 1998 A Bonds.

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

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

this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

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

Section 11.07. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

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 Weirton Daily Times, a qualified newspaper published and of general circulation in the City of Weirton, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 1998 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.

Passed on First Reading:	-	May 12, 1997
Passed on Second Reading:	-	May 19, 1997
Passed on Final Reading Following Public Hearing:	-	June 9, 1997

Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF WEIRTON on the 9th day of June, 1997.

Dated: April 8, 1998.

[SEAL]

City Clerk

04/01/98
949750/97001

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF 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 1998 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF WEIRTON; 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 city council (the "Governing Body") of the City of Weirton (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective June 9, 1997 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF WEIRTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $2,900,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1997 A (WEST VIRGINIA SRF 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 Water Revenue Bonds, Series 1997 A (West Virginia SRF Program), of the Issuer, in the aggregate principal amount not to exceed $2,900,000;

WHEREAS, the Water Revenue Bonds, Series 1997 A (West Virignia SRF Program), were not issued in 1997, but will be issued in 1998;

WHEREAS, the Governing Body desires to redesignate the Bonds as "Water Revenue Bonds, Series 1998 A (West Virginia SRF Program)" (the "Bonds" or the "Series 1998 A Bonds");

WHEREAS, the Bond Ordinance has authorized the execution and delivery of a loan agreement relating to the Bonds (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP"), all in accordance with Chapter 8, Article 19 and Chapter 22C, Article 2 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, 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 Bonds be

redesignated, that the Loan Agreement be ratified and approved 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 WEIRTON:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted, the Water Revenue Bonds, Series 1997 A (West Virginia SRF Program), are hereby redesignated as "Water Revenue Bonds, Series 1998 A (West Virginia SRF Program)," and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $2,190,000. The Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2019, and shall bear interest at the rate of 2% per annum. The interest on and principal of the Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 1999, and ending June 1, 2019, and in the amounts as set forth in "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 DEP, and upon payment of the interest and 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.

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

Section 3. The Issuer does hereby approve and shall pay the administrative fee equal to 1% of the principal amount of the Bonds set forth in "Schedule Y" attached to the Loan Agreement.

Section 4. The Issuer does hereby ratify, approve 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 or the City Manager, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the DEP 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 One Valley Bank, National Association, Charleston, West Virginia, as Registrar (the "Registrar"), for the Bonds and does approve and accept the Registrar's Agreement to be dated the date of delivery of

the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor and the City Manager, 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 WesBanco Bank, Weirton, West Virginia, as Depository Bank under the Bond Ordinance.

Section 8. Series 1998 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 1998 A Bonds Sinking Fund, as capitalized interest.

Section 9. Series 1998 A Bonds proceeds in the amount of $133,128 shall be deposited in the Series 1998 A Bonds Reserve Account.

Section 10. The balance of the proceeds of the Bonds shall be deposited in or credited to the Bond Construction Trust Fund as received from time to time for payment of Costs of the Project, including costs of issuance of the Bonds and related costs.

Section 11. The Mayor, the City Manager and the City Clerk 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 April 8, 1998, 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 hereby determines to invest all moneys 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 moneys to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Moneys in the Series 1998 A Bonds Sinking Fund, including the Series 1998 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by

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

Section 15. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Project and the System; no part of the Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than $5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 1998, being the calendar year in which the Bonds are to be issued. For purposes of this Section and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Section 16. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 30th day of March, 1998.

Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Weirton on the 30th day of March, 1998.

Dated: April 8, 1998.

[SEAL]

City Clerk

03/24/98
949750/97001

SRF-LP-1
(September 1997)

LOAN AGREEMENT

THIS WATER POLLUTION CONTROL REVOLVING FUND LOAN AGREEMENT (the "Loan Agreement"), made and entered into in several counterparts, by and among the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), the WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, a division of the West Virginia Bureau of Environment (the "DEP"), and the local government designated below (the "Local Government").

CITY OF WEIRTON
(Local Government)

WITNESSETH:

WHEREAS, the United States Congress under Title VI of the federal Clean Water Act, as amended (the "Clean Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining state water pollution control revolving funds for the planning, design, construction, acquisition and/or improvement of wastewater treatment facilities;

WHEREAS, pursuant to the provisions of Chapter 20, Article 5I, of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to direct the distribution of loans to particular local governments pursuant to the Clean Water Act;

WHEREAS, under the Act the DEP is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards and DEP has been awarded capitalization grants to partially fund the Program;

WHEREAS, under the Act and under the direction of DEP, the Authority has established a permanent perpetual fund known as the "West Virginia Water Pollution Control Revolving Fund" (hereinafter the "Fund");

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to make loans from the Fund to local governments for the acquisition or construction of

wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in the Clean Water Act and the Act;

WHEREAS, the Local Government constitutes a local government as defined by the Act;

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

WHEREAS, the Local Government is authorized and empowered by the statutes of the State to construct, operate and improve a wastewater treatment project and to finance the cost of constructing or acquiring the same by borrowing money to be evidenced by revenue bonds issued by the Local Government;

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

WHEREAS, the Local Government has completed and filed with the Authority and DEP an Application for a Loan with attachments and exhibits and an Amended Application for a 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 DEP are willing to lend the Local Government the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Government with moneys held in the Fund, subject to the Local Government'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 Government, DEP 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 government," and "project" have the definitions and meanings ascribed to them in the Act or in the SRF 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 DEP to the Local Government 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 Government required by Section 4.1 hereof, authorizing the Local Bonds.

1.5 "Local Bonds" means the revenue bonds to be issued by the Local Government 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 wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Clean Water Act and administered by DEP.

1.9 "Project" means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Government 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 "SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

1.11 "System" means the wastewater treatment facility owned by the Local Government, 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 Government by the Consulting Engineers, the DEP 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 of the Local Act, the Local Government 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 Government 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 Government, 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 DEP and the Authority.

2.4 The Local Government agrees that the Authority and DEP 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 Government further agrees that the Authority and DEP and their respective duly authorized agents shall, prior to, at and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and DEP with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Local Government 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 Government shall permit the Authority and DEP, 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 Government shall submit to the Authority and DEP 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 Government agrees that it will permit the Authority and DEP and their respective agents to have access to the records of the Local Government 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 Government shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract, as security for the faithful performance of such contract.

2.8 The Local Government 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 DEP. Until the Project facilities are completed and accepted by the Local Government, the Local Government or (at the option of the Local Government) 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 Government, 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 Government 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 Government 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 Government shall provide and maintain competent and adequate resident engineering services satisfactory to the Authority and DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority, DEP and the Local Government 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 Government shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Local Government shall notify DEP in writing of such receipt. The Local Government shall submit a Performance Certificate, the form of which is attached hereto as Exhibit A, and being incorporated herein by reference, to DEP within 60 days of the end of the first year after the Project is completed.

2.10 The Local Government shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to DEP when the Project is 90% completed. The Local Government agrees that it will at all times provide operation and maintenance of the System to comply with any and all State and federal standards. The Local Government agrees that qualified operating personnel properly certified by the State will be employed before the Project is 25% complete and agrees that it will retain such a certified operator(s) to operate the System during the entire term of this Loan Agreement. The Local Government shall notify DEP in writing of the certified operator employed at the 25% completion stage.

2.11 The Local Government hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Authority, DEP 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 Government, commencing on the date contracts are executed for the construction of the Project and for two years following the completion of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit B and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority.

2.13 The Local Government, during construction of the Project, shall complete Payment Requisition Forms, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward the Form to DEP in compliance with the Local Government's construction schedule.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

3.1 The agreement of the Authority and DEP to make the Loan is subject to the Local Government's fulfillment, to the satisfaction of the Authority and DEP, 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 Government shall have delivered to 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 Government 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 Government 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 Government 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 financing of construction, the Local Government 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 DEP shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit D;

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

(f) The Local Government shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") necessary for the construction of the Project and operation of the System, and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

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

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

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsection 4.1(b)(ii) hereof, and the Authority and DEP shall have received a certificate of the accountants for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, 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 DEP shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of wastewater treatment projects and satisfactory to the Authority and DEP, to such effect, such certificate to be in form and substance satisfactory to the Authority and DEP, and evidence satisfactory to the Authority and DEP of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF 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 Government and the Local Government shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Local Government shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

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

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Government 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, DEP and the Local Government. 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 set forth in Exhibit E hereto.

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for loans to finance wastewater treatment projects and that the obligation of the Authority to make any such loan is subject to the Local Government'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 Government 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 such purchase, the Authority may purchase the bonds of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The

Local Government further specifically recognizes that all loans will be originated in conjunction with the SRF Regulations and with the approval of DEP.

3.6 The Local Government shall provide DEP with the appropriate documentation to comply with the special conditions established by federal and state regulations as set forth in Exhibit E hereto at such times as are set forth in Exhibit E.

ARTICLE IV

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

4.1 The Local Government shall, as one of the conditions of the Authority and DEP to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Local Government in accordance with the Local Statute, which shall, as 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. The revenues generated from the operation of the System 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 an amount at least 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 Government 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 the net revenues from the System;

(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 established for the payment of debt service on the Local Bonds is funded (whether by Local Bond proceeds, monthly deposits or otherwise) 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 Government will complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or the Regulations, the System may be sold, mortgaged, leased or otherwise disposed of as a whole or substantially as a whole provided that the net proceeds to be realized from such sale, mortgage, lease or other deposition 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 such 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 Government 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 written consent of the Authority and DEP; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Local Government 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 Government will not render any free services of the System;

(viii) That any Local Bond owner may, by proper legal action, compel the performance of the duties of the Local Government 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 Government will not grant any franchise to provide any services which would compete with the System;

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

(xii) That the Local Government 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 DEP 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 Government 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 for non-construction costs) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim funding of such Local Government, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and DEP, 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 Government may authorize redemption of the Local Bonds with 30 days written notice to the Authority;

(xvi) That the Local Government 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 West Virginia Municipal Bond Commission (the "Commission") its required interest, principal and reserve fund payment. The Local Government shall complete the Monthly Payment Form, attached hereto as Exhibit F and incorporated herein by reference, and submit a copy of said form along with a copy of the check to the Authority by the 5th day of such calendar month;

(xvii) That the Commission shall serve as paying agent for all Local Bonds;

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

(xix) That the Local Government 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, the Project is adequate for the purposes for which it was designed and the funding plan as submitted to the Authority is sufficient to pay the costs of acquisition and construction of the Project; and

(xx) That the Local Government shall, to the full extent permitted by applicable law and the rules and regulations of the West Virginia Public Service Commission, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will

not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Local Government, then the Local Government shall enter into a termination agreement with the water provider.

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

4.2 The Loan shall be secured by the pledge and assignment by the Local Government, as effected by the Local Act, of the fees, charges and other revenues of the Local Government 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 Government 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 Government, the DEP 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 SRF 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 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 Government. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series.

4.5 As provided by the SRF Regulations, the Local Government agrees to pay from time to time, if required by the Authority and DEP, the Local Government's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be determined by the Authority and shall include without limitation Program expenses, legal fees paid by the Authority and fees paid to the trustee and paying agents for any bonds or notes to be issued by the Authority for contribution to the Fund and the fees and expenses of any corporate trustee for 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 Government; Imposition and Collection of User Charges; Payments To Be Made by Local Government to the Authority

5.1 The Local Government 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 Government hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System, as set forth in the Local Act and in compliance with the provisions of Subsection 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the minimum sums set forth in the Local Act, the Local Government hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges so as to provide funds sufficient to produce the minimum sums set forth in the Local Act and as required by this Loan Agreement.

5.3 In the event the Local Government defaults in any payment due to the Authority pursuant to Section 4.2 hereof, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Local Government hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Local Government, 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 directly charges upon users of the System.

ARTICLE VI

Other Agreements of the Local Government

6.1 The Local Government hereby acknowledges to the Authority and DEP its understanding of the provisions of the Act, vesting in the Authority and DEP certain powers, rights and privileges with respect to wastewater treatment projects in the event of default by local governments in the terms and covenants of loan agreements, and the Local Government hereby covenants and agrees that, if the Authority should hereafter have

recourse to said rights and powers, the Local Government 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 Government hereby warrants and represents that all information provided to the Authority and DEP 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 DEP 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 DEP by the Local Government in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Local Government has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the SRF Regulations or this Loan Agreement.

6.3 The Local Government 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 Government hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Local Government fails to make any such rebates as required, then the Local Government 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 DEP may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Government to be monitored or cause the rebate calculations for the Local Government to be prepared, in either case at the expense of the Local Government.

6.6 The Local Government hereby agrees to give the Authority and DEP prior written notice of the issuance by it of any other obligations to be used for the Project, 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 Government hereby agrees to file with the Authority upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Schedule 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 Government 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 merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

7.6 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Local Government 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 Government from either the Authority or DEP;

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

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Local Government to the Authority or DEP; provided that the amount of the Loan made under this Loan Agreement in any succeeding fiscal year is contingent upon funds being appropriated by the legislature or otherwise being available to make the Loan. In the event funds are not appropriated or otherwise available to make all of the Loan, the responsibility of the Authority and DEP to make all the Loan is terminated; provided further that the obligation of the Local Government to repay the amount of the Loan made by the Authority and DEP as set forth in (iii) above is not terminated due to such non-funding on any balance on the Loan. The DEP agrees to use its best efforts to have the amount contemplated under this Loan Agreement included in its budget. Non-appropriation or non-funding shall not be considered an event of default under the 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 Weirton
[Proper Name of Local Government]

(SEAL)

By: _____
Its: Mayor

Attest:

Date: 3-10-98

_____
Its Recorder

WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

By: _____
Its: Chief, Office of Water Resources

Date: 3/13/98

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Director

Attest:

Date: February 27, 1998

_____
Secretary-Treasurer

APPROVED AS TO FORM PRIOR TO ACKNOWLEDGEMENT THEREOF, THIS 25th day of September, 97
DARRELL V. McGRAW, JR.
ATTORNEY GENERAL
By: _____
DEPUTY ATTORNEY GENERAL

EXHIBIT A

[Form of Performance Certificate]

[TO BE PROVIDED BY DEP]

EXHIBIT B

[Form of Monthly Financial Report]
[Name of Local Government]
[Name of Bond Issue]
Fiscal Year - __
Report Month: _____

ITEM	CURRENT MONTH	YEAR TO DATE	BUDGET YEAR TO DATE	BUDGET DIFFERENCE
1. Gross Revenues Collected				
2. Operation and Maintenance Expense				
3. Other Bond Debt Payments (including Reserve Fund deposits)				
4. SRF Bond Payments (include Reserve Fund deposits)				
5. Renewal and Replacement Fund Deposit				
6. Funds available for capital construction				

Witnesseth my signature this __ day of ____, ____.

[Name of Local Government]

By: _____
Authorized Officer

EXHIBIT C

PAYMENT REQUISITION FORM

(All Copies to Be Provided by DEP for Each Project)

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No._____, of _____, Consulting Engineers, _____, _____, hereby certify that my firm is engineer for the acquisition and construction of _____ to the _____ system (herein called the "Project") of _____ (the "Issuer") to be constructed primarily in _____County, West Virginia, which construction and acquisition are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the meaning set forth in the _____ passed by the _____ of the Issuer on _____, 19___, effective _____, 19___, and the Loan Agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Division of Environmental Protection ("DEP") dated _____, 19___.

1. The Bonds are being issued for the purpose of _____ _____ (the "Project").

2. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm and as described in the application submitted to the Authority requesting the Authority to purchase the Bonds (the "Application") and approved by 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 twenty years, (iii) the Issuer has received bids for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application and my firm has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified by my firm for accuracy, (iv) the Issuer has obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, (v) the rates and charges for the System as adopted by the ____ of the Issuer are sufficient to comply with the provisions of Subsection 4.1(b) of the Loan Agreement, (vi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, are sufficient to pay the costs of construction and

acquisition of the Project as set forth in the Application, and (vii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature on this _____ day of _____, 19___.

_____

By _____

West Virginia License No. __

[SEAL]

EXHIBIT E

SPECIAL CONDITIONS

A. The recipient agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations 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.

B. AUDIT REQUIREMENT (Supplement to Article IV 4.1 (b) (xi)) - The loan recipient that receives $25,000 or more in a fiscal year must obtain audits in accordance with the Single Audit Act of 1984 and OMB Circular 128. Financial statement audits are required once all funds have been received by the loan recipient.

C. Final approved PSC order.

D. Final NPDES Permit Modification.

EXHIBIT F

[Monthly Payment Form]

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

Re: [Name of bond issue]

Dear Sirs:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of [Local Government] on _____, __.

Sinking Fund:

Interest $_____

Principal $_____

Total: $_____

Reserve Fund: $_____

Witness my signature this ___ day of_____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

[Opinion of Bond Counsel for Local Government]

[To Be Dated as of Date of Loan Closing]

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

Gentlemen:

We are bond counsel to _____ (the "Local Government"), a _____.

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

Year	Installment	Interest Rate

The Local Bonds are issued for the purpose of _____ and paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly enacted by the Local Government on _____ (the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement that has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing 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 Government and is a valid and binding special obligation of the Local Government enforceable in accordance with the terms thereof.

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

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

4. The Local Government has legally and effectively enacted the Local Act and all other necessary _____ in connection with the issuance and sale of the Local Bonds. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

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

6. The 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 BONDS

Principal Amount of Bonds	$ 2,190,000
Purchase Price of Bonds	$ 2,190,000

Interest on the Bonds shall be zero percent from the date of delivery to and including May 31, 1999. Principal and interest on the Bonds is payable quarterly, commencing Sept. 1, 1999, at a rate of 2% per annum. Quarterly payments will be made thereafter on each September 1, December 1, March 1 and June 1 as set forth on Schedule Y attached hereto and incorporated herein by reference. As of the date of this Loan Agreement, it is the Authority's and DEP's understanding that the Local Government has [other obligations outstanding which have a lien as to the source of and security for payment equal to or superior to the lien being granted by the Bonds] or [provide list of outstanding debt]. (See attached schedule) *

The Local Government shall submit its payments monthly to the West Virginia Municipal Bond Commission with instructions that the West Virginia Municipal Bond Commission will make quarterly payments to the West Virginia Water Development Authority at such address as is given to the Bond Commission in writing by the Authority. If the Reserve Fund is not fully funded at closing, the Local Government 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 Bond Commission. The Local Government shall instruct the Bond 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 Bonds will be fully registered in the name of the West Virginia Water Development Authority as to principal and interest and such Bonds shall grant the Authority a first lien on the net revenues of the Local Government's system.

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

*Water Development Authority - Water Revenue Bonds, Series 1991A, issued in the original principal amount of $4,784,000 and closed May 23, 1991.

SCHEDULE Y

City of Weirton, West Virginia
$2,190,000 Loan
20 Years, 2% Interest Rate, 1% Admin Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/1999	.	.	.	.
9/01/1999	22,331.00	2.000%	10,950.00	33,281.00
12/01/1999	22,443.00	2.000%	10,838.35	33,281.35
3/01/2000	22,555.00	2.000%	10,726.13	33,281.13
6/01/2000	22,668.00	2.000%	10,613.36	33,281.36
9/01/2000	22,781.00	2.000%	10,500.02	33,281.02
12/01/2000	22,895.00	2.000%	10,386.11	33,281.11
3/01/2001	23,010.00	2.000%	10,271.64	33,281.64
6/01/2001	23,125.00	2.000%	10,156.59	33,281.59
9/01/2001	23,241.00	2.000%	10,040.96	33,281.96
12/01/2001	23,357.00	2.000%	9,924.76	33,281.76
3/01/2002	23,474.00	2.000%	9,807.97	33,281.97
6/01/2002	23,591.00	2.000%	9,690.60	33,281.60
9/01/2002	23,709.00	2.000%	9,572.65	33,281.65
12/01/2002	23,827.00	2.000%	9,454.10	33,281.10
3/01/2003	23,947.00	2.000%	9,334.97	33,281.97
6/01/2003	24,066.00	2.000%	9,215.23	33,281.23
9/01/2003	24,187.00	2.000%	9,094.90	33,281.90
12/01/2003	24,308.00	2.000%	8,973.97	33,281.97
3/01/2004	24,429.00	2.000%	8,852.43	33,281.43
6/01/2004	24,551.00	2.000%	8,730.28	33,281.28
9/01/2004	24,674.00	2.000%	8,607.53	33,281.53
12/01/2004	24,797.00	2.000%	8,484.16	33,281.16
3/01/2005	24,921.00	2.000%	8,360.17	33,281.17
6/01/2005	25,046.00	2.000%	8,235.57	33,281.57
9/01/2005	25,171.00	2.000%	8,110.34	33,281.34
12/01/2005	25,297.00	2.000%	7,984.48	33,281.48
3/01/2006	25,424.00	2.000%	7,858.00	33,282.00
6/01/2006	25,551.00	2.000%	7,730.88	33,281.88
9/01/2006	25,678.00	2.000%	7,603.12	33,281.12
12/01/2006	25,807.00	2.000%	7,474.73	33,281.73
3/01/2007	25,936.00	2.000%	7,345.70	33,281.70
6/01/2007	26,065.00	2.000%	7,216.02	33,281.02
9/01/2007	26,196.00	2.000%	7,085.69	33,281.69
12/01/2007	26,327.00	2.000%	6,954.71	33,281.71
3/01/2008	26,458.00	2.000%	6,823.08	33,281.08
6/01/2008	26,591.00	2.000%	6,690.79	33,281.79
9/01/2008	26,724.00	2.000%	6,557.83	33,281.83
12/01/2008	26,857.00	2.000%	6,424.21	33,281.21
3/01/2009	26,992.00	2.000%	6,289.93	33,281.93
6/01/2009	27,127.00	2.000%	6,154.97	33,281.97
9/01/2009	27,262.00	2.000%	6,019.33	33,281.33
12/01/2009	27,398.00	2.000%	5,883.02	33,281.02
3/01/2010	27,535.00	2.000%	5,746.03	33,281.03
6/01/2010	27,673.00	2.000%	5,608.36	33,281.36

City of Weirton, West Virginia
$2,190,000 Loan
20 Years, 2% Interest Rate, 1% Admin Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
9/01/2010	27,812.00	2.000%	5,469.99	33,281.99
12/01/2010	27,951.00	2.000%	5,330.93	33,281.93
3/01/2011	28,090.00	2.000%	5,191.18	33,281.18
6/01/2011	28,231.00	2.000%	5,050.73	33,281.73
9/01/2011	28,372.00	2.000%	4,909.57	33,281.57
12/01/2011	28,514.00	2.000%	4,767.71	33,281.71
3/01/2012	28,656.00	2.000%	4,625.14	33,281.14
6/01/2012	28,800.00	2.000%	4,481.86	33,281.86
9/01/2012	28,944.00	2.000%	4,337.86	33,281.86
12/01/2012	29,088.00	2.000%	4,193.14	33,281.14
3/01/2013	29,234.00	2.000%	4,047.70	33,281.70
6/01/2013	29,380.00	2.000%	3,901.53	33,281.53
9/01/2013	29,527.00	2.000%	3,754.63	33,281.63
12/01/2013	29,674.00	2.000%	3,607.00	33,281.00
3/01/2014	29,823.00	2.000%	3,458.63	33,281.63
6/01/2014	29,972.00	2.000%	3,309.51	33,281.51
9/01/2014	30,122.00	2.000%	3,159.65	33,281.65
12/01/2014	30,272.00	2.000%	3,009.04	33,281.04
3/01/2015	30,424.00	2.000%	2,857.68	33,281.68
6/01/2015	30,576.00	2.000%	2,705.56	33,281.56
9/01/2015	30,729.00	2.000%	2,552.68	33,281.68
12/01/2015	30,882.00	2.000%	2,399.04	33,281.04
3/01/2016	31,037.00	2.000%	2,244.63	33,281.63
6/01/2016	31,192.00	2.000%	2,089.44	33,281.44
9/01/2016	31,348.00	2.000%	1,933.48	33,281.48
12/01/2016	31,505.00	2.000%	1,776.74	33,281.74
3/01/2017	31,662.00	2.000%	1,619.22	33,281.22
6/01/2017	31,821.00	2.000%	1,460.91	33,281.91
9/01/2017	31,980.00	2.000%	1,301.80	33,281.80
12/01/2017	32,140.00	2.000%	1,141.90	33,281.90
3/01/2018	32,300.00	2.000%	981.20	33,281.20
6/01/2018	32,462.00	2.000%	819.70	33,281.70
9/01/2018	32,624.00	2.000%	657.39	33,281.39
12/01/2018	32,787.00	2.000%	494.27	33,281.27
3/01/2019	32,951.00	2.000%	330.34	33,281.34
6/01/2019	33,116.00	2.000%	165.58	33,281.58
TOTAL	2,190,000.00	-	472,521.03	2,662,521.03 *

*~~P~~lus one-percent administrative fee of $2,953.25 paid quarterly. Total administrative fee over the life of the loan is $236,260.

Faxed to Bench/Administration
3/5/97

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
3-4-97
by Commission Order

Entered: February 19, 1997

CASE NO. 96-0775-W-CN

CITY OF WEIRTON,
a public utility.
Application for a certificate of convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility.

RECOMMENDED DECISION

On July 10, 1996, the City of Weirton, a public utility, filed an application with the Public Service Commission, pursuant to West Virginia Code §24-2-11, for a certificate of public convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility, and for approval of financing incidental to providing such service. The City also filed Rule 42 information as well as a proposed ordinance. The City indicated that the construction was necessary to comply with West Virginia Department of Natural Resources (DNR) and United States Environmental Protection Agency (EPA) directives.

On July 10, 1996, the Commission directed the City to publish the Notice of Filing, once, in a newspaper duly qualified by the Secretary of State, published and generally circulated in Brooke County and in Hancock County. The Notice of Filing provided that, if no substantial protests were filed within thirty (30) days, the Commission may waive formal hearing and grant the certificate, based upon its review of the evidence submitted with the application. On July 29, 1996, the City filed a publication affidavit indicating that the Notice of Filing had been published as directed, in the *Daily Times*, a newspaper published and generally circulated in Brooke and Hancock Counties, West Virginia. No protests have been filed.

On July 29, 1996, the Commission entered the Commission Referral Order in this proceeding, thereby referring this matter to the Division of Administrative Law Judges (ALJ Division) for decision on or before February 5, 1997.

On January 10, 1997, a hearing was set for January 21, 1997, in Weirton by Procedural Order.

On January 16, 1997, Staff filed its Final Joint Staff Memorandum which recommended that the proceeding be dismissed and Weirton's application be denied. Staff further recommended that the hearing scheduled for January 21, 1997, be canceled. The reason that Staff recommended dismissal is that

Weirton was in the process of substantially revising the plans and specifications for the project. Weirton indicated to Staff that it would be unable to deliver a copy of the revised plans to the Commission until February 3, 1997. Given the Administrative Law Judge decision due date of February 5, 1997, and the current statutory deadline, Staff concluded that the application must be denied.

On January 16, 1997, Weirton requested a continuance of the hearing. Weirton indicated that it was not prepared to go to hearing because of the revision of the plans and specifications for the project. Weirton further indicated that it had agreed with the EPA to have the project completed by November 10, 1997, or face severe civil penalties.

By Procedural Order entered on January 16, 1997, the hearing set for January 21, 1997, was canceled due to the failure of Weirton to have timely submitted its final plans and specifications.

On January 21, 1997, the Commission extended the ALJ Division due date to February 27, 1997. The Commission also ordered Weirton to submit final plans and specifications by February 3, 1997.

By Procedural Order entered on January 28, 1997, a hearing was set for February 11, 1997, in Weirton.

On February 10, 1997, Staff of the Commission filed its Final Joint Staff Memorandum which recommended approving Weirton's application without a hearing. Staff indicated that the project was estimated to cost $1,250,000. Weirton will finance the project by a loan for the entire project cost from the West Virginia Revolving Loan Fund (WVRLF) for a twenty year period at 3% interest. Weirton has passed a rate ordinance increasing its rates to pay for the debt service on the loan. Weirton submitted a commitment letter from WVRLF. Staff noted that the proposed improvements were mandated by the DNR. Weirton also faces a possible EPA civil action if the project is not completed. Staff viewed the state and federal environmental agency mandates as sufficient to demonstrate the need for the project. Staff noted that Weirton modified the project to provide a more effective design and to minimize operating costs. The modified project has been approved by the West Virginia Office of Environmental Health Services in Permit No. 13,146. Staff views the design and financing of the project as reasonable.

By Procedural Order of February 10, 1997, the hearing set for February 11, 1997, was canceled.

DISCUSSION

Weirton has demonstrated that the proposed project is necessary, convenient, and in the public interest. No public protests were made concerning Weirton's application. Staff of the Commission has recommended Commission approval of the application after its review. Staff viewed the financing and the engineering of the project to be reasonable and appropriate. Weirton should be granted a certificate of convenience and necessity for its water treatment plant sludge dewatering and disposal

facility. Weirton should be required to seek Commission approval if the scope of the project changes or if increased financing becomes necessary.

FINDINGS OF FACT

1. On July 10, 1996, the City of Weirton, a public utility, filed an application with the Public Service Commission, pursuant to West Virginia Code §24-2-11, for a certificate of public convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility and for approval of financing incidental to providing such service. (See Application.)

2. The construction of Weirton's project is necessary to comply with West Virginia Department of Natural Resources and United States Environmental Protection Agency directives and various state and federal environmental regulations. (See Application filed July 10, 1996, and Final Joint Staff Memorandum filed February 10, 1997).

3. On July 10, 1996, the Commission directed the City to publish the Notice of Filing, once, in a newspaper duly qualified by the Secretary of State, published and generally circulated in Brooke County and in Hancock County. (See July 10, 1996 Order).

4. The Notice of Filing provided that, if no substantial protests were filed within thirty (30) days, the Commission may waive formal hearing and grant the certificate, based upon its review of the evidence submitted with the application. (See Notice of Filing).

5. On July 29, 1996, the City filed a publication affidavit indicating that the Notice of Filing had been published as directed, in the *Daily Times*, a newspaper published and generally circulated in Brooke and Hancock Counties, West Virginia. (See affidavit).

6. No protests to Weirton's application have been filed. (See record).

7. On February 10, 1997, Staff of the Commission filed its Final Joint Staff Memorandum which recommended approving Weirton's application without a hearing. (See Final Joint Staff Memorandum).

8. The project is estimated to cost $1,250,000. (Id.)

9. Weirton will finance the project with a loan for the entire project cost from the West Virginia Revolving Loan Fund for a twenty year period at 3% interest. (Id. and February 5, 1997 Commitment Letter from WVRLF).

10. Weirton has passed a rate ordinance increasing its rates to pay for the debt service on the loan. (Final Joint Staff Memorandum filed February 10, 1997).

11. Weirton modified the project to provide a more effective design and to minimize operating costs. (Id.)

12. The modified project has been approved by the West Virginia Office of Environmental Health Services in Permit No. 13,146. (Id.)

13. Staff viewed the design and financing of the project as reasonable. (Id.)

CONCLUSIONS OF LAW

1. The project proposed by Weirton is convenient, necessary and in the public interest.

2. Weirton's proposed financing of the project is reasonable and should be approved.

3. Weirton's application for a certificate of convenience and necessity should be granted.

4. Weirton should be required to seek Commission approval if the scope of the project or the proposed financing should change.

ORDER

IT IS, THEREFORE, ORDERED that Weirton's application filed on July 10, 1996, for a certificate of convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility be, and hereby is, granted.

IT IS FURTHER ORDERED that the proposed financing for the project, consisting of a loan of $1,250,000 from the WVRLF to be repaid over twenty years at 3% interest, be, and hereby is, approved.

IT IS FURTHER ORDERED that if the project bids exceed the estimated $1,250,000 or the scope or financing of the project is modified, Weirton is hereby required to seek Commission approval before proceeding with the modified proposal.

The Executive Secretary hereby is 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 hereby is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served the 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 Executive Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to

make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

K. A. George

Keith A. George
Administrative Law Judge

KAG:s

Faxed to Butch M.
12/3/97

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
11-29-97
by Commission Order

Entered: November 20, 1997

CASE NO. 96-0775-W-CN

CITY OF WEIRTON,
a public utility.
Application for a certificate of convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility.

RECOMMENDED DECISION

On July 10, 1996, the City of Weirton (City), a public utility, filed an application with the Public Service Commission, pursuant to West Virginia Code §24-2-11, for a certificate of public convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility, and for approval of financing incidental to providing such service.

The Commission granted the City a certificate by Order of March 4, 1997.

On May 19, 1997, the City petitioned the Commission to reopen the proceeding. The City indicated that the project design had been modified, that the estimated construction cost significantly increased and that the projected operating and maintenance cost decreased. The City indicated that it still believed that current rates were sufficient to fund the project. The modifications will result in increased borrowing by the City.

Staff filed an Initial Joint Staff Memorandum on June 19, 1997, recommending that the Commission refer the matter to the Division of Administrative Law Judges.

On June 24, 1997, the Commission referred the matter to the Division of Administrative Law Judges. The Commission established a decision due date of December 15, 1997.

By Procedural Order of August 11, 1997, the matter was set for hearing on September 30, 1997. Weirton was also ordered to publish notice of its amended filing given that the proposed modifications resulted in increased borrowing.

On August 18, 1997, Staff filed a Further Joint Staff Memorandum recommending approval of the amended application.

On September 3, 1997, Weirton filed affidavits of publication showing proper publication of the notice in the *Hancock County Courier* and the *Brooke County Review* on August 28, 1997. No protests to the amended application have been received by the Commission.

On September 24, 1997, Weirton and Staff moved to cancel the September 30, 1997 hearing. Weirton indicated that further revisions to the design of the project were anticipated by the City. Weirton further believes that, if no protests are received, it is unlikely that the matter will require a hearing. Staff indicated that it had a scheduling conflict with the hearing date.

By Procedural Order of September 26, 1997, the matter was rescheduled for hearing on November 5, 1997, in Weirton.

On October 31, 1997, Weirton moved to reschedule the hearing. Weirton submitted to Staff additional information regarding the project on October 31, 1997. Staff has not yet finished its review of the late filed information.

On November 4, 1997, the matter was rescheduled for hearing on November 24, 1997.

On November 19, 1997, Staff filed a Further Joint Staff Memorandum recommending approval of the amended application. Staff indicated that the project costs had been reduced since its August 18, 1997 review from $2,304,112 to $1,592,119. The earlier design had been based on erroneous flow data. Staff believes that the plans, as last submitted, are reasonable and that the application should be approved contingent upon the issuance of the modified NPDES permit from the Division of Environmental Protection. Staff also recommended cancellation of the hearing set for November 24, 1997.

DISCUSSION

The Commission previously approved Weirton's application for the project by Order of March 4, 1997. In that Order the Commission found the project to be both convenient and necessary. Weirton petitioned the Commission to reopen the proceeding because of certain design changes and changes in the amount of borrowing necessary because of increased project costs.

Staff has reviewed the proposed modifications and has recommended approval. Staff views all of the proposed modifications as appropriate. Weirton published notice of its increased borrowing and the Commission received no protests.

The modified application should be approved contingent on Weirton's receipt of a modified NPDES permit from the Division of Environmental Protection.

FINDINGS OF FACT

1. The Commission previously approved Weirton's application by Order of March 4, 1997, finding the project to be both convenient and necessary. (See Commission Order of March 4, 1997).

2. On May 19, 1997, the City petitioned the Commission to reopen the proceeding. (See petition).

3. By Procedural Order of August 11, 1997, Weirton was ordered to publish notice of its amended filing given that the proposed modifications resulted in increased borrowing. (See August 11, 1997 Procedural Order).

4. On September 3, 1997, Weirton filed affidavits of publication showing proper publication of the notice in the *Hancock County Courier* and the *Brooke County Review* on August 28, 1997. (See affidavits).

5. No protests to the amended application have been received by the Commission. (See file generally).

6. On November 19, 1997, Staff filed a Further Joint Staff Memorandum recommending approval of the amended application contingent on Weirton's receipt of a modified NPDES permit. (See Further Joint Staff Memorandum).

CONCLUSIONS OF LAW

1. Weirton's amended financing of the project is reasonable and should be approved.

2. Weirton's amended application for a certificate of convenience and necessity should be granted contingent on Weirton's receipt of a modified NPDES permit from the Division of Environmental Protection.

3. Weirton should be required to seek Commission approval if the scope of the project or the proposed financing should change again.

ORDER

IT IS, THEREFORE, ORDERED that Weirton's amended application for a certificate of convenience and necessity to construct a water treatment plant sludge dewatering and disposal facility be, and hereby is granted contingent on Weirton's receipt of a modified NPDES permit from the Division of Environmental Protection.

IT IS FURTHER ORDERED that the modified proposed financing for the project consisting of a loan up to the amount of $1,592,119 from the State of West Virginia Revolving Loan Fund or the West Virginia Water Development Authority, be, and hereby is, approved.

IT IS FURTHER ORDERED that if the project bids exceed the estimated $1,592,119 or the scope or financing of the project is modified, Weirton is hereby required to seek Commission approval before proceeding with the modified project.

The Executive Secretary hereby is ordered to serve a copy of this order upon the Commission Staff by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave hereby is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served the exceptions.

If no exceptions are filed, this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the 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 Executive Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

K.A. George

Keith A. George
Administrative Law Judge

KAG:s

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 25th day of March, 1998.

CASE NO. 96-0775-W-CN (REOPENED)

CITY OF WEIRTON
Petition to reopen certificate proceeding for the purpose of approving changes in the scope of the project financing.

COMMISSION ORDER REOPENING PROCEEDING AND APPROVING REVISED FINANCING

PROCEDURAL HISTORY AND DISCUSSION

On February 6, 1998, the City of Weirton (City) filed a petition to reopen a certificate proceeding for the purpose of approving changes in the scope of the project financing.

In accordance with the Commission's internal operating procedures, the District's petition was forwarded to the Commission's appropriate divisions for investigation, response and recommendation.

On March 6, 1998, Commission Staff (Staff) filed its Initial and Final Joint Staff Memorandum with an attached Utilities Division Staff Recommendation from James E. Spurlock, II, Technical Analyst, Engineering Section. Technical Staff stated that by Final Commission Order dated November 29, 1997, the borrowing of $1,592,119 from the West Virginia Revolving Loan Fund was approved to fund the instant project. Upon receipt of bids from the City, the construction cost is now $1,860,000, with a total project cost of $2,275,000, and with a bond issue anticipated in the amount of $2,190,000. The City proposes to finance the additional cost through an increase in funding to be provided by the State Revolving Fund. Technical Staff further stated that the City has submitted information indicating that the City's current rates are sufficient to fund the increase. Accordingly, Staff recommended that the instant petition to reopen be granted and the revised financing be approved.

On March 9, 1998, the City filed a letter stating that it supported Staff's memorandum dated March 6, 1998.

Upon a review of the case file before us, we find shall reopen this proceeding and approve the revised financing.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

5C

FINDINGS OF FACT

1. On February 6, 1998, the City of Weirton (City) filed a petition to reopen a certificate proceeding for the purpose of approving changes in the scope of the project financing. See, City's Petition filed February 6, 1998.

2. Commission Staff recommended that the instant petition to reopen be granted and the revised financing approved. See, Staff's Initial and Final Joint Staff Memorandum filed on March 6, 1998.

3. On March 9, 1998, the City filed a letter stating that it supported Staff's memorandum dated March 6, 1998. See, Letter from City's Counsel to the Executive Secretary dated March 9, 1998.

CONCLUSION OF LAW

The Commission finds that it is reasonable to grant the City of Weirton's petition to reopen this proceeding and approve the revised financing.

ORDER

IT IS THEREFORE ORDERED that the City of Weirton's petition to reopen this proceeding is hereby granted.

IT IS FURTHER ORDERED that the revised financing described in the City's petition is hereby approved.

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.

ARC

A True Copy, Teste:

Sandra Neal

Sandra Neal
Executive Secretary

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

MAR 26 '98 10:16AM ROBERT R RODECKER P.3

STATE OF WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY
1201 DUNBAR AVENUE
DUNBAR, WV 25064
Telephone (304) 558-3612
Telecopier (304) 558-0299

October 15, 1996

A. D. Mastrantoni, Utilities Director
City of Weirton
5000 Freedom Way
Weirton, West Virginia 26062

Re: City of Weirton
Wastewater Treatment Plant

Dear Mr. Mastrantoni:

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the City of Weirton's (City) preliminary application for its proposed improvements to its wastewater treatment plant, and has determined that the project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. Please carefully review the enclosed comments of the Water Technical Review Committee. The City may need to address certain issues raised in said comments as it proceeds with the project.

Pursuant to its review of the preliminary application, the Council recommends the City pursue funding of approximately $1,086,490 from the State Revolving Fund (SRF) administered by the West Virginia Division of Environmental Protection. The Council understands that the City will contribute $200,000 of its own funds to assist in the financing of this project. Please contact the Division of Environmental Protection at 558-0641 for specific information on the steps the City needs to follow to apply for the SRF loan. **Please note that this letter does not constitute funding approval from the Division of Environmental Protection.**

If you have any questions regarding this matter, please contact Susan J. Riggs, Executive Secretary of the Council, at (304) 558-4607.

Sincerely,

Russell L. Isaacs, Chairman
West Virginia Infrastructure and
Jobs Development Council

RLI/bjh
Enclosure
cc: J. Michael Johnson, P.E.

6

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

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 Weirton (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 8th day of April, 1998, the Authority received the entire original issue of $2,190,000 principal amount of the Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), of the Issuer (the "Bonds"), issued as a single, fully registered Bond, numbered AR-1, and dated April 8, 1998.

2. At the time of such receipt of the Bonds upon original issuance, the Bonds had been executed by the Mayor, the City Manager and the City Clerk 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 $307,353, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced by the Authority and the West Virginia Division of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

WITNESS our respective signatures on this 8th day of April, 1998.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Authorized Representative

CITY OF WEIRTON

Mayor

04/01/98
949750/97001

429065.2

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

One Valley Bank, National Association,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the City of Weirton Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), in the principal amount of $2,190,000, dated April 8, 1998 (the "Bonds"), executed by the Mayor, the City Manager and the City Clerk of the City of Weirton (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 June 9, 1997, and a Supplemental Resolution duly adopted by the Issuer on March 30, 1998 (collectively, the "Bond Legislation");

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

(3) Executed counterparts of the loan agreement dated February 27, 1998, by and among the West Virginia Water Development Authority (the "Authority"), the West Virginia Division of Environmental Protection (the "DEP") and the Issuer (the "Loan Agreement"); and

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

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of $307,353, 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.

Dated this 8th day of April, 1998.

CITY OF WEIRTON

Mayor

04/01/98
949750/97001

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WEIRTON
WATER REVENUE BOND,
SERIES 1998 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $2,190,000

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WEIRTON, a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of TWO MILLION ONE HUNDRED NINETY THOUSAND DOLLARS ($2,190,000), 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 September 1, 1999, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference, with interest on each installment at the rate per annum set forth on said EXHIBIT B. The interest and the SRF 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 September 1, 1999, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection ("DEP"), and upon the terms and conditions prescribed

by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated February 27, 1998.

This Bond is issued (i) to pay 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"); (ii) to fund a reserve account for the Bonds of this Series (the "Bonds"); and (iii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further 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 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on June 9, 1997, and a Supplemental Resolution duly adopted by the Issuer on March 30, 1998 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S WATER REVENUE BONDS, SERIES 1991 A, DATED MAY 23, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $4,784,000 (THE "SERIES 1991 A BONDS").

THIS BOND IS ISSUED SENIOR AND PRIOR, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S WATER REVENUE BONDS, SERIES 1991 B , DATED MAY 23, 1991, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $216,000 (THE "SERIES 1991 B BONDS").

THE SERIES 1991 A BONDS AND THE SERIES 1991 B BONDS ARE HEREINAFTER COLLECTIVELY CALLED THE "PRIOR BONDS."

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, on a parity with the pledge of Gross Revenues in favor of the Holders of the Series 1991 A Bonds, and senior and prior to the pledge of Gross Revenues in favor of the Holders of the Series 1991 B Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1998 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This

Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, or the interest hereon, except from said special fund provided from the Gross Revenues, the moneys in the Series 1998 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 junior to the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 1998 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 junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of 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 moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other

obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that 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 and interest on this Bond.

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

IN WITNESS WHEREOF, the CITY OF WEIRTON has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated April 8, 1998.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1998 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: April 8, 1998.

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$307,353	4-8-98	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

City of Weirton, West Virginia
$2,190,000 Loan
20 Years, 2% Interest Rate, 1% Admin Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
6/01/1999	-	-	-	-
9/01/1999	22,331.00	2.000%	10,950.00	33,281.00
12/01/1999	22,443.00	2.000%	10,838.35	33,281.35
3/01/2000	22,555.00	2.000%	10,726.13	33,281.13
6/01/2000	22,668.00	2.000%	10,613.36	33,281.36
9/01/2000	22,781.00	2.000%	10,500.02	33,281.02
12/01/2000	22,895.00	2.000%	10,386.11	33,281.11
3/01/2001	23,010.00	2.000%	10,271.64	33,281.64
6/01/2001	23,125.00	2.000%	10,156.59	33,281.59
9/01/2001	23,241.00	2.000%	10,040.96	33,281.96
12/01/2001	23,357.00	2.000%	9,924.76	33,281.76
3/01/2002	23,474.00	2.000%	9,807.97	33,281.97
6/01/2002	23,591.00	2.000%	9,690.60	33,281.60
9/01/2002	23,709.00	2.000%	9,572.65	33,281.65
12/01/2002	23,827.00	2.000%	9,454.10	33,281.10
3/01/2003	23,947.00	2.000%	9,334.97	33,281.97
6/01/2003	24,066.00	2.000%	9,215.23	33,281.23
9/01/2003	24,187.00	2.000%	9,094.90	33,281.90
12/01/2003	24,308.00	2.000%	8,973.97	33,281.97
3/01/2004	24,429.00	2.000%	8,852.43	33,281.43
6/01/2004	24,551.00	2.000%	8,730.28	33,281.28
9/01/2004	24,674.00	2.000%	8,607.53	33,281.53
12/01/2004	24,797.00	2.000%	8,484.16	33,281.16
3/01/2005	24,921.00	2.000%	8,360.17	33,281.17
6/01/2005	25,046.00	2.000%	8,235.57	33,281.57
9/01/2005	25,171.00	2.000%	8,110.34	33,281.34
12/01/2005	25,297.00	2.000%	7,984.48	33,281.48
3/01/2006	25,424.00	2.000%	7,858.00	33,282.00
6/01/2006	25,551.00	2.000%	7,730.88	33,281.88
9/01/2006	25,678.00	2.000%	7,603.12	33,281.12
12/01/2006	25,807.00	2.000%	7,474.73	33,281.73
3/01/2007	25,936.00	2.000%	7,345.70	33,281.70
6/01/2007	26,065.00	2.000%	7,216.02	33,281.02
9/01/2007	26,196.00	2.000%	7,085.69	33,281.69
12/01/2007	26,327.00	2.000%	6,954.71	33,281.71
3/01/2008	26,458.00	2.000%	6,823.08	33,281.08
6/01/2008	26,591.00	2.000%	6,690.79	33,281.79
9/01/2008	26,724.00	2.000%	6,557.83	33,281.83
12/01/2008	26,857.00	2.000%	6,424.21	33,281.21
3/01/2009	26,992.00	2.000%	6,289.93	33,281.93
6/01/2009	27,127.00	2.000%	6,154.97	33,281.97
9/01/2009	27,262.00	2.000%	6,019.33	33,281.33
12/01/2009	27,398.00	2.000%	5,883.02	33,281.02
3/01/2010	27,535.00	2.000%	5,746.03	33,281.03
6/01/2010	27,673.00	2.000%	5,608.36	33,281.36

City of Weirton, West Virginia
$2,190,000 Loan
20 Years, 2% Interest Rate, 1% Admin Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
9/01/2010	27,812.00	2.000%	5,469.99	33,281.99
12/01/2010	27,951.00	2.000%	5,330.93	33,281.93
3/01/2011	28,090.00	2.000%	5,191.18	33,281.18
6/01/2011	28,231.00	2.000%	5,050.73	33,281.73
9/01/2011	28,372.00	2.000%	4,909.57	33,281.57
12/01/2011	28,514.00	2.000%	4,767.71	33,281.71
3/01/2012	28,656.00	2.000%	4,625.14	33,281.14
6/01/2012	28,800.00	2.000%	4,481.86	33,281.86
9/01/2012	28,944.00	2.000%	4,337.86	33,281.86
12/01/2012	29,088.00	2.000%	4,193.14	33,281.14
3/01/2013	29,234.00	2.000%	4,047.70	33,281.70
6/01/2013	29,380.00	2.000%	3,901.53	33,281.53
9/01/2013	29,527.00	2.000%	3,754.63	33,281.63
12/01/2013	29,674.00	2.000%	3,607.00	33,281.00
3/01/2014	29,823.00	2.000%	3,458.63	33,281.63
6/01/2014	29,972.00	2.000%	3,309.51	33,281.51
9/01/2014	30,122.00	2.000%	3,159.65	33,281.65
12/01/2014	30,272.00	2.000%	3,009.04	33,281.04
3/01/2015	30,424.00	2.000%	2,857.68	33,281.68
6/01/2015	30,576.00	2.000%	2,705.56	33,281.56
9/01/2015	30,729.00	2.000%	2,552.68	33,281.68
12/01/2015	30,882.00	2.000%	2,399.04	33,281.04
3/01/2016	31,037.00	2.000%	2,244.63	33,281.63
6/01/2016	31,192.00	2.000%	2,089.44	33,281.44
9/01/2016	31,348.00	2.000%	1,933.48	33,281.48
12/01/2016	31,505.00	2.000%	1,776.74	33,281.74
3/01/2017	31,662.00	2.000%	1,619.22	33,281.22
6/01/2017	31,821.00	2.000%	1,460.91	33,281.91
9/01/2017	31,980.00	2.000%	1,301.80	33,281.80
12/01/2017	32,140.00	2.000%	1,141.90	33,281.90
3/01/2018	32,300.00	2.000%	981.20	33,281.20
6/01/2018	32,462.00	2.000%	819.70	33,281.70
9/01/2018	32,624.00	2.000%	657.39	33,281.39
12/01/2018	32,787.00	2.000%	494.27	33,281.27
3/01/2019	32,951.00	2.000%	330.34	33,281.34
6/01/2019	33,116.00	2.000%	165.58	33,281.58
TOTAL	2,190,000.00	-	472,521.03	2,662,521.03 *

*Plus one-percent administrative fee of $2,953.25 paid quarterly. Total administrative fee over the life of the loan is $236,260.

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:

_____

STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SIXTH FLOOR

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

FACSIMILE (304) 624-8183

BANK ONE CENTER, SEVENTH FLOOR
P. O. BOX 1588
CHARLESTON, W. VA. 25326-1588
(304) 353-8000
FACSIMILE (304) 353-8180

1000 HAMPTON CENTER
P. O. BOX 1616
MORGANTOWN, W. VA. 26507-1616
(304) 598-8000
FACSIMILE (304) 598-8116

126 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-6991
FACSIMILE (304) 263-4785

104 WEST CONGRESS STREET
P. O. BOX 100
CHARLES TOWN, W. VA. 25414-0100
(304) 725-1414
FACSIMILE (304) 725-1913

RILEY BUILDING, FOURTH FLOOR
14TH AND CHAPLINE STREETS
P. O. BOX 150
WHEELING, W. VA. 26003-0020
(304) 233-0000
FACSIMILE (304) 233-0014

THE RIVERS OFFICE PARK
200 STAR AVENUE, SUITE 220
P. O. BOX 628
PARKERSBURG, W. VA. 26102-0628
(304) 422-6463
FACSIMILE (304) 422-6462

WRITER'S DIRECT DIAL NUMBER

April 8, 1998

City of Weirton
Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

City of Weirton
Weirton, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Division of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Weirton (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $2,190,000 Water Revenue Bonds, Series 1998 A (West Virginia SRF 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 February 27, 1998, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal and interest to the Authority, with interest at the rate of 2% per annum, and with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 1999, and ending June 1, 2019, all as set forth in "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 22C, Article 2 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 additions, betterments and improvements to the

existing public waterworks system of the Issuer (the "Project"); (ii) funding a reserve account for the Bonds; and (iii) 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 June 9, 1997, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 30, 1998 (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.

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

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

1. The Issuer is a duly created and validly existing 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 referred to in the Loan Agreement 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 DEP and cannot be amended so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Issuer without the written consent of the Authority and the DEP.

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 referred to in the Bond Legislation and secured by a first lien on and pledge of the Gross Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Water Revenue Bonds, Series 1991 A, dated May 23, 1991, issued in the original aggregate principal amount of $4,784,000, and senior and prior with respect to liens, pledge and source of and security for payment to the Issuer's Water Revenue Bonds, Series 1991 B, dated May 23, 1991, issued in the original aggregate principal amount of $216,000, all in accordance with the terms of the Bonds and the Bond Legislation. Based upon the certificate of the certified public accountant dated the date hereof, the Issuer has met the coverage requirements for issuance of parity bonds of the Series 1991 A Bonds and the

ordinance authorizing the Series 1991 A Bonds. The Issuer has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature.

5. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to the Code and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Bond Legislation and the Certificate as to Arbitrage, and other certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality or county commission, 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.

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,

Steptoe & Johnson

STEPTOE & JOHNSON

03/12/98
949750/97001

429097.1

Joseph D. DiBartolomeo
Attorney-at-Law
Master of Professional Accountancy

April 8, 1998

City of Weirton
Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Division of
Environmental Protection
Charleston, West Virginia

Steptoe & Johnson
Clarksburg, West Virginia

Ladies and Gentlemen:

I am counsel to the City of Weirton in Brooke and Hancock Counties, 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 February 27, 1998, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and among the West Virginia Water Development Authority (the "Authority"), the West Virginia Division of Environmental Protection (the "DEP") and the Issuer, a Bond Ordinance duly enacted by the Issuer on June 9, 1997, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 30, 1998 (collectively, the "Bonds Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). 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, City Manager, City Clerk 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.

Telephone (304) 748-3200 • 3200 Main Street • Weirton , WV 26062

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 DEP and the Authority, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

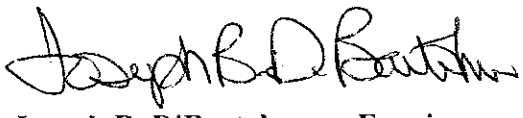
4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the 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 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 prescribing such rates and charges. The Issuer has received the Final Orders of the Public Service Commission of West Virginia entered February 19, 1997, November 29, 1997, and March 25, 1998, in Case No. 96-0775-W-CN, 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 first two orders has expired prior to the date hereof without any appeal, but the time for appeal of the last order has not expired prior to the date hereof. However, the parties to such order have stated that they will not appeal the order. Such order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

6. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein 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.

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

Very truly yours,



Joseph B. DiBartolomeo, Esquire

JBD/sgh

CITY OF WEIRTON

200 MUNICIPAL PLAZA
WEIRTON, WEST VIRGINIA 26062

RECEIVED

FEB 06 1998

Water Resources
Construction Assistance

January 30, 1998

Ms. Rose Broderson
Branch Leader
Management Branch, Construction Assistance
Division of Environmental Protection
617 Broad St.
Charleston, WV 25301-1251

RE: City of Weirton Sludge Dewatering Facility Project

Dear Ms. Broderson:

Consistent with requirements of the SRF financing of our sludge dewatering facility, please consider this my legal opinion that this project will require no new land acquisition and/or rights-of-way in order to complete this project at the Weirton Water Treatment Plant.

Sincerely,

Joseph D. Bartolomeo

Joseph DiBartolomeo
City Attorney

JD/ko

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF 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 AND PUBLIC HEARING ON BOND ORDINANCE
15. PUBLIC SERVICE COMMISSION ORDER
16. PRIVATE USE OF FACILITIES
17. NO FEDERAL GUARANTY
18. IRS INFORMATION RETURN
19. SPECIMEN BOND
20. CONFLICT OF INTEREST
21. CLEAN WATER ACT

We, the undersigned MAYOR, CITY MANAGER AND CITY CLERK of the City of Weirton in Brooke and Hancock Counties, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify in connection with the $2,190,000 principal amount of the City of Weirton Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), dated the date hereof (the "Bonds" or the "Series 1998 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 June 9, 1997, and the Supplemental Resolution duly adopted March 30, 1998 (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 entered into among the Issuer, the DEP and the Authority. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are outstanding obligations of the Issuer which will rank on a parity with or junior and subordinate to the Bonds as to liens, pledge and source of and security for payment, which obligations are designated and have the lien positions with respect to the Bonds as follows:

Designation	Lien Position
Water Revenue Bonds, Series 1991 A, dated May 23, 1991, issued in the original aggregate principal amount of $4,784,000 (the "Series 1991 A Bonds")	First Lien
Water Revenue Bonds, Series 1991 B, dated May 23, 1991, issued in the original aggregate principal amount of $216,000 (the "Series 1991 B Bonds")	Second Lien

The Series 1991 A Bonds and the Series 1991 B Bonds are hereinafter collectively called the "Prior Bonds."

The Bonds shall be issued on a parity with the Series 1991 A Bonds and senior and prior to the Series 1991 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the coverage requirements for issuance of parity bonds of the Series 1991 A Bonds and the ordinance authorizing the Series 1991 A Bonds and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. The Issuer has obtained the written consent of the Holders of the Series 1991 A Bonds to the issuance of the Bonds on a parity with the Series 1991 A Bonds, and the written consent of the Holders of the Series 1991 B Bonds to the issuance of the Bonds on a senior and prior basis to the Series 1991 B Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which will rank prior to or on a parity with the Bonds as to liens, pledge and/or source of and security for payment or in any other respects.

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 Order

Infrastructure Council Approval

City Charter

Oaths of Office of Officers and Councilmembers

Water Rate Ordinance

Minutes on Adoption and Enactment of Water Rate Ordinance

Affidavit of Publication of Water 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

1991 Bond Ordinance and Supplemental Resolution

Consent of 1991 Bondholder

NPDES Permit

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "City of Weirton." The Issuer is a municipal corporation in Brooke and Hancock Counties 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 and 7 councilmembers, all duly elected, qualified and acting, and the names and dates of commencement and termination of current terms of office of the councilmembers and the Mayor are as follows:

Name			Date of Commencement of Office	Date of Termination of Office
Dean M. Harris	-	Mayor	July 1, 1995	June 30, 1999
Steve J. Dorich	-	Councilmember	July 1, 1995	June 30, 1999
D. J. Minella	-	Councilmember	July 1, 1995	June 30, 1999
Ed Powell	-	Councilmember	July 1, 1995	June 30, 1999
George Ash	-	Councilmember	July 1, 1995	June 30, 1999
George Kondik	-	Councilmember	July 1, 1995	June 30, 1999
Timothy A. Reinard	-	Councilmember	July 1, 1995	June 30, 1999
Mark Kaczmarek	-	Councilmember	July 1, 1995	June 30, 1999

John Moore Replacement

The duly appointed and acting City Manager and City Clerk of the Issuer are Vincent J. Azzarello and Melissa Anderson, respectively. The duly appointed and acting Counsel to the Issuer is Joseph B. DiBartolomeo, Esquire.

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 duly enacted a water rate ordinance on July 5, 1996, setting the rates and charges for the services of the System. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal.

12. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor and City Manager did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, dated the date hereof, by their respective manual signatures, and the undersigned City Clerk 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 and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

13. BOND PROCEEDS: On the date hereof, the Issuer received $307,353 from the Authority and the DEP, being a portion of the principal amount of the Bonds and more than a de minimis amount of the proceeds 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 Weirton Daily Times, a newspaper published and of general circulation in the City of Weirton, 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 Council at the public hearing held at a public meeting of Council on the 9th day of June, 1997, at 7:00 p.m., at the Weirton City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the City Clerk 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 ORDE The Issuer has received the Final Orders of the Public Service Commission of West Virginia entered February 19, 1997, November 29, 1997, and March 25, 1998, in Case No. 96-0775-W-CN, 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 first two orders has expired prior to the date hereof without any appeal, but the time for appeal of the last order has not expired prior to the date hereof. However, the parties to such order have stated that they will not appeal the order. The Issuer hereby states that it will not appeal the order. Such order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

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

business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal of, or the interest, if any, on, such issue, under the terms of any underlying arrangement, is, directly or indirectly, secured by any interest in property used, or to be used for a private business use, payments in respect of such property or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit or other than use as a member of the general public. All of the foregoing shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended, including any successor provisions and rules and regulations thereunder (the "Code").

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

18. IRS INFORMATION RETURN: On the date hereof, the undersigned Mayor shall officially sign a properly completed IRS Form 8038-G and cause such executed Form 8038-G to be filed in a timely manner with the Internal Revenue Service Center, Philadelphia, Pennsylvania.

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

20. 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.

21. CLEAN WATER ACT: The Project as described in the Bond Ordinance complies with Sections 208 and 303(e) of the Clean Water Act.

WITNESS our signatures and the official seal of the CITY OF WEIRTON on this 8th day of April, 1998.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Mayor
	City Manager
	City Clerk
	Counsel to Issuer

03/26/98
949750/97001

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

CERTIFICATE AS TO ARBITRAGE

The undersigned Mayor and City Manager of the City of Weirton in Brooke and Hancock Counties, West Virginia (the "Issuer"), being the officials of the Issuer duly charged with the responsibility for the issuance of the $2,190,000 principal amount of Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), of the Issuer, dated April 8, 1998 (the "Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986 and applicable regulations (the "Code"). We are the officers of the Issuer duly charged with the responsibility of issuing the Bonds. We are familiar with the facts, circumstances, and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meaning as set forth in the ordinance authorizing the Bonds duly enacted by the Issuer on June 9, 1997 (as supplemented, the "Bond Ordinance").

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on April 8, 1998, the date on which the Bonds are to be physically delivered in exchange for more than a de minimis amount of the principal amount of the Bonds, and to the best of our knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. The Bonds were sold on April 8, 1998, to the West Virginia Water Development Authority (the "Authority"), pursuant to a loan agreement dated February 27, 1998, by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection (the "DEP"), for an aggregate purchase price of $2,190,000 (100% of par), at which time, the Issuer received $307,353 from the Authority and the DEP, being more than a de minimis amount of the principal amount of the Bonds. No accrued interest

has been or will be paid on the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Issuer has covenanted in the Bond Ordinance not to take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Issuer has, therefore, covenanted not to intentionally use any portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Section 148 of the Code. The Issuer, in the Bond Ordinance, has further covenanted that it will take all actions that may be required of it so that the interest, if any, on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

7. The 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 additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); (ii) funding a reserve account for the Bonds; and (iii) paying costs of issuance and related costs thereof.

8. Not later than simultaneously with the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend in excess of $100,000 on the Project, constituting a substantial binding commitment. Acquisition, construction and equipping of the Project shall proceed with due diligence to completion, and with the exception of proceeds constituting capitalized interest (if any) and proceeds deposited in the Series 1998 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 April, 1999. Construction of the Project is expected to be completed by April, 1999.

9. The total cost of the Project (including all costs of issuance of the Bonds) is estimated at $2,446,000. Sources and uses of funds for the Project are as follows:

SOURCES

Gross Proceeds of the Bonds	$2,190,000
Issuer's Funds	256,000
Total Sources	$2,446,000

USES

Costs of Acquisition and Construction of the Project	$2,292,872
Capitalized Interest	-0-
Fund Reserve Account	133,128
Costs of Issuance	20,000
Total Uses	$2,446,000

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

10. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created (or continued if previously established by the Prior Ordinance):

(1) Revenue Fund;

(2) Operation and Maintenance Fund;

(3) Renewal and Replacement Fund;

(4) Bond Construction Trust Fund;

(5) Series 1991 A Bonds Sinking Fund;

(6) Series 1991 A Bonds Reserve Account;

(7) Series 1991 B Bonds Sinking Fund;

(8) Series 1991 B Bonds Reserve Account;

(9) Series 1998 A Bonds Sinking Fund; and

(10) Series 1998 A Bonds Reserve Account.

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

(1) Series 1998 A Bonds proceeds in the amount of $-0- will be deposited in the Series 1998 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Bonds during acquisition and construction of the Project and for not more than six months thereafter.

(2) Series 1998 A Bonds proceeds in the amount of $133,128 will be deposited in the Series 1998 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 1998 A Bonds will be deposited in the Bond 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 1998 A Bonds and related costs.

Amounts in the Bond Construction Trust Fund, if invested, will be invested without yield limitation for a period necessary to complete the Project, not to exceed 3 years, except as otherwise set forth herein. All of such moneys are necessary for such purpose.

Except for "preliminary expenditures" as defined in Treas. Reg. § 1.150-2(f)(2), none of the proceeds of the Series 1998 A Bonds will be used to reimburse the Issuer for costs of the Project previously incurred and paid by the Issuer with its own or other funds.

12. Moneys held in the Series 1998 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 1998 A Bonds Sinking Fund and Series 1998 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Bond 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.

13. Except for the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Bonds, or which

are pledged as collateral for the Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Bonds if the Issuer encounters financial difficulties. The Issuer does not expect that moneys in the Renewal and Replacement Fund will be used or needed for payments upon the Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved desegregation plan producing a yield in excess of the yield on the Bonds have been or will be pledged to payment of the Bonds. Less than 10% of the moneys received from the sale of the Bonds, if any, will be deposited in the Series 1998 A Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1998 A Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal of and interest, if any, on the Bonds and will not exceed 125% of average annual principal of and interest, if any, on the Bonds. Amounts in the Series 1998 A Bonds Reserve Account, not to exceed 10% of the proceeds of the Bonds, if invested, will be invested without yield limitation. The establishment of the Series 1998 A Bonds Reserve Account is required by the Authority, is vital to its purchase of the Bonds, and is reasonably required to assure payments of debt service on the Bonds.

Because amounts in the Renewal and Replacement Fund may be expended for other purposes, there is no reasonable assurance that any such amounts would be available to meet debt service if the Issuer encounters financial difficulties; thus, such amounts may be invested without yield limitation.

14. Not later than simultaneously with the delivery of the Bonds, the Issuer shall enter into a contract for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2 1/2% of the estimated total Project cost financed with proceeds from the sale of the Bonds or $100,000.

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

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

17. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Bonds to the Authority.

18. With the exception of the amount deposited in the Series 1998 A Bonds Sinking Fund for payment of interest on the Bonds, if any, and the amounts deposited in the

Series 1998 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 12 months from the date of issuance thereof.

19. 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.

20. The Series 1998 A Bonds Sinking Fund (other than the Series 1998 A Bonds Reserve Account therein) is intended primarily to achieve a proper matching of payments of debt service on the Bonds each year. The Series 1998 A Bonds Sinking Fund (other than the Series 1998 A Bonds Reserve Account therein) will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1/12th of annual debt service on the Bonds, or 1 year's interest earnings on the Series 1998 A Bonds Sinking Fund (other than the Series 1998 A Bonds Reserve Account therein). Except as otherwise allowed, any money deposited in the Series 1998 A Bonds Sinking Fund for payment of the principal of or interest, if any, on the Bonds (other than the Series 1998 A Bonds Reserve Account therein), will be spent within a 13-month period beginning on the date of receipt and will be invested without yield limitation, and any moneys received from the investment of amounts held in the Series 1998 A Bonds Sinking Fund (other than in the Series 1998 A Bonds Reserve Account therein) will be spent within a 1-year period beginning on the date of receipt.

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

22. All property financed with the proceeds of the Bonds will be held for federal income tax purposes by (or on behalf of) a qualified governmental unit.

23. The Issuer shall file Form 8038-G or 8038-GC in a timely fashion with the Internal Revenue Service Center, Philadelphia, Pennsylvania.

24. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of the Bonds have been or will be used to make or finance loans to, any person who is not a governmental unit.

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

26. 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.

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

would result in the exclusion of the Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions and refrain from taking such actions as shall be necessary to comply with the Code in order to ensure the interest, if any, on the Bonds is excludable from gross income for federal income tax purposes.

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

29. The Issuer is a governmental unit and has general taxing powers; no Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 1998, the calendar year in which the Bonds are issued, is not reasonably expected to exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code. For purposes of this paragraph and for purposes of applying such Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer. No portion of the Bonds is issued to refund other obligations.

30. The Issuer has retained the right to amend or supplement its authorizing documents if such amendment or supplement is necessary to preserve the exclusion from gross income for federal income tax purposes of the interest, if any, on the Bonds.

31. The Issuer shall comply with the yield restriction on the proceeds of the Bonds as set forth in the Code.

32. The Issuer has either (a) funded the Series 1998 A Bonds Reserve Account at the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 1998 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 1998 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 1998 A Bonds Reserve Account and the

Series 1998 A Bonds Sinking Fund (established for the annual payment of principal and interest, if any) will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to pay costs of the Project.

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

34. 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 any of the Bonds and (c) will be paid out of substantially the same source of funds or will have substantially the same claim to be paid out of substantially the same source of funds as any of the Bonds.

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

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

37. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds.

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

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

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

41. To the best of our knowledge, information and belief, the foregoing expectations are reasonable.

WITNESS our signatures this 8th day of April, 1998.

CITY OF WEIRTON

Mayor

City Manager

04/01/98
949750/97001

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

CERTIFICATE OF ENGINEER

I, H. Wood Thrasher, Registered Professional Engineer, West Virginia License No. 9478, of Thrasher Engineering, Inc., Consulting Engineers, in Clarksburg, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") to the existing public waterworks system (the "System") of the City of Weirton (the "Issuer"), to be constructed primarily in Brooke and Hancock Counties, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meanings set forth in the Bond Ordinance enacted by the Issuer on June 9, 1997, and the Supplemental Resolution adopted by the Issuer on March 30, 1998, and the Loan Agreement, dated February 27, 1998 (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP").

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

3. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm, and as described in the application submitted to the Authority and the DEP, requesting the Authority to purchase the Bonds (the "Application") and any change orders approved by the Issuer and approved by 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 twenty years, (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 the Application and my firm has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified by my firm for accuracy, (iv) 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, (v) the rates and charges for the System as adopted by the Issuer are sufficient to comply with the provisions of Subsection

4.1(b) of the Loan Agreement, (vi) 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 as set forth in the Application, and (vii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature and seal on this 8th day of April, 1998.

THRASHER ENGINEERING, INC.

[SEAL]

H. Wood Thrasher, P.E.
West Virginia License No. 9478

03/12/98
949750/97001

NAME OF GOVERNMENT AGENCY: City of Weirton

ESTIMATED TOTAL COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

RECEIVED
APR 03 1998
...ources
...Assistance

A. Cost of Project

1.	Construction	$ 1,860,000.00	
2.	Technical Services	$ 310,000.00	
3.	Legal and Fiscal	$ 20,000.00	
4.	Administrative	$ 30,000.00	
* 5.	Site and Other Lands	$ NA	
** 6.	Fac. Plan/Design or Other Loan Repayment (Specify Type: _____)	$ NA	
7.	Interim Financing Costs	$ NA	
8.	Contingency	$ 72,872.00	
9.	Subtotal of Project Costs (Lines 1 through 8)		$ 2,292,872.00

B. Sources of Funds

10.	Federal Grants: (Specify Sources)		$	
11.	State Grants: (Specify Sources)		$	
12.	Other Grants (Specify Sources)		$	
13.	Any Other Source (Specify)	City of Weirton	$ 256,000.00	
14.	Subtotal of Sources of Funds (Lines 10 through 13)			less $ 256,000.00
15.	Net Proceeds Required from Bond Issue (Line 9 minus Line 14)			$ 2,036,872.00

C. Cost of Financing

16.	Capitalized Interest (Construction period plus six months)	$ NA	
17.	Funded Reserve Account:	$ 133,128.00	
18.	Other Costs: Bond Counsel	$ 20,000.00	
19.	Total Cost of Financing (Lines 16 through 18)		plus $ 153,128.00
20.	Size of Bond Issue (Line 15 plus Line 19)		$ 2,190,000.00

* not allowable for State Revolving Fund Assistance
** WDA loans are not allowable

Signature of Applicant

Date 4/3/98

Signature of Consulting Engineer

Date 4/3/98

DOBBS, ABRAHAM & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 248
MOUNDSVILLE, WV 26041
304-845-7914
FAX 304-843-1905

April 8, 1998

City of Weirton
Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

West Virginia Water
Development Authority
Charleston, West Virginia

West Virginia Division of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the water rate ordinance of the City of Weirton (the "Issuer") enacted July 5, 1996, and protected operation and maintenance expenses and anticipated customer usage as furnished to us by Thrasher Engineering, Inc., it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system of the Issuer (the "System"), will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Water Revenue Bonds, Series 1998 A (West Virginia SRF 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, on a parity with or junior to the Bonds, including the Issuer's Water Revenue Bonds, Series 1991 A and Series 1991 B (collectively, the "Prior Bonds"). It is our further opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average increased annual Net Revenues to be received in each of the three succeeding years after the completion of the improvements to be financed by the Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the Bonds and the Prior Bonds.

Very truly yours,

Thomas L. Dobbs
Certified Public Accountant

16

TLD;bjr

WEIRTON CITY CHARTER

EDITOR'S NOTE: The Weirton Charter was adopted at the election held on April 25, 1950.
Council, pursuant to the authority granted by West Virginia Code 8-1-6, by Ordinance 228, passed May 25, 1970, provided that all provisions of the Charter which are sufficiently different from - though not in direct conflict with - pertinent provisions of West Virginia Code Chapter Eight as to indicate that both should not be applicable, are to remain in full force and effect thereby superseding such statutory provisions.
Dates appearing in parentheses following a section heading indicate those provisions were subsequently amended or enacted on the date given.

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Section 13. Oath of Office.
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ARTICLE VIII. NOMINATIONS AND ELECTIONS
Section 1. Election Requirements.
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ARTICLE IX. EFFECTIVE DATE
Section 1. Exceptions; Continuation of Offices.

CHARTER OF THE CITY OF WEIRTON

ARTICLE I
GENERAL PROVISIONS

SECTION 1. INCORPORATION; NAME.

The inhabitants of the City of Weirton, in the Counties of Hancock and Brooke, within the corporate limits of such City as now or hereafter established, shall be and continue to be a Municipal body, politic and corporate in perpetuity, under the name and style of "City of Weirton."

SECTION 2. GOVERNING BODY.

The governing body of the City shall consist of:

(A) A City Council (hereinafter referred to as "Council") of seven members who shall be elected by wards, in the manner hereinafter provided, by the voters of the City; and

(B) A Mayor who shall be elected by the voters of the City.

Other officers and employees shall be appointed in the manner hereinafter provided.

In this Charter, the terms "governing body" and "Council" are used interchangeably, with reference to ordinances, resolutions and other acts of the City.

SECTION 3. POWERS GENERALLY.

The City shall have all the powers now or hereafter granted to municipal corporations and to cities by the Constitution and general law of the State of West Virginia, together with all such implied powers as may be necessary to perform its Municipal purposes and its granted powers, including, but without limiting the generality of this section, the power to acquire, hold, manage, control, mortgage, lease and dispose of real and personal property or any interest therein, to accept gifts, bequests and devises, to sue and be sued in its corporate name, to make and perform contracts, to levy taxes, fees and special assessments, to issue bonds, notes and other obligations, to exercise the powers of eminent domain and condemnation and, in general, to exercise all Municipal powers, functions, rights, privileges and immunities of whatsoever name and nature. The enumeration of particular powers, functions, rights, privileges and immunities in this Charter shall not be deemed to be exclusive but on the contrary it is intended that the City shall have and may, for proper Municipal purposes, exercise all such powers, functions, rights, privileges and immunities which, under the Constitution and general laws of the State, it would be proper to set forth in this Charter, including all powers, rights, privileges and immunities which the City now has under its existing legislative Charter.

ARTICLE II
WARDS AND BOUNDARIES

SECTION 1. CORPORATE BOUNDARIES.

Until changed in the manner provided by law, the boundaries of the City shall be as follows:

Beginning at the intersection of the Hancock and Brooke County line with the West Virginia-Pennsylvania State line; thence in a southerly direction, south 89° 13' west along the West Virginia-Pennsylvania State line to the center of Harmon Creek where said Creek intersects the West Va.-Penn. State line; thence meandering along Harmon Creek in a northwesterly direction to a point where the meridian line 80° 35' of the Steubenville Quadrangle intersects Harmon Creek; thence continuing along said Harmon Creek in a southwesterly direction and sinuous to it to the low water line on the west shore of the Ohio River, same being the Ohio-West Virginia State boundary line; thence in a northwesterly direction with the said low water line to a point at the mouth of Kings Creek, said point being extended to its intersection with the said low water line of the Ohio River, same being the Ohio-West Virginia State boundary line to the place of beginning and point of intersection of the east bank of said Ohio River and mouth of Kings Creek; thence with the sinuousities and in an easterly direction along the center line of said Kings Creek to the West Virginia-Pennsylvania State boundary line to the place of beginning and point of intersection of the Hancock and Brooke County line with the West Virginia-Pennsylvania State line.

The foregoing description of the boundaries of the City shall not be construed as limiting any powers which the City may have under the general law of the State or this Charter with respect to matters or transactions beyond the limits of such boundaries.

SECTION 2. WARDS.

The Council shall have the power and authority to make ward boundary changes when it is deemed necessary to make the wards as equal as possible in population and area. Until so changed the City shall be divided into seven wards:

BOUNDARIES

EDITOR'S NOTE: The boundaries originally established by the Charter have been amended by a later ordinance pursuant to the authority granted by this section. Consult Article 105 for the current ward boundaries.

WARD 1.

Beginning at a point which is the intersection of Main Street and Pennsylvania Avenue, and continuing westwardly on a line which is an extension of the center line of Pennsylvania Avenue to its intersection with the west bank of the Ohio River; thence northwardly along the west bank of the Ohio River to a point opposite the intersection of Kings Creek; thence eastwardly across the Ohio River and thence southwardly along the center line of the meander of Kings Creek to a point which is the intersection of a line extended northwardly on Pershing Avenue and Kings Creek; thence southwardly to a point which is the intersection of the northwest corner of the Owings Plan at June Street; thence southwestwardly and

southwardly along the former Weirton Heights city line to the intersection with Pennsylvania Avenue; thence westwardly along the center line of Pennsylvania Avenue to the point of the beginning being the intersection of Main Street and Pennsylvania Avenue. The above comprises Ward No. 1.

WARD 2.

Beginning at a point which is the intersection of Main Street and Pennsylvania Avenue and continuing along a line westwardly which is an extension of the center line of Pennsylvan Avenue to its intersection with the west bank of the Ohio River; thence southwardly along the west bank of the Ohio River to a point which is across from the intersection of the forme Marland Heights corporate line and the Ohio River; thence eastwardly across the Ohio River to the former Marland Heights corporate line to its point of intersection with a westwardly line extended on the center line of Lee Avenue; thence eastwardly along the center line of this extended line to the intersection of Lee and Weir Avenues; thence, northwardly along the center line of Weir Avenue to its intersection with South Eleventh Street; thence northeastwardly along the center line of South Eleventh Street to its point of intersection with the former Weirton Heights city line; thence westwardly along the forme Weirton Heights city line and northwardly along the same line to its point of intersection with the center line of Pennsylvania Avenue; thence westwardly along the center line of Pennsylva Avenue to the point of beginning being the intersection of Main Street and Pennsylvania Avenu The above comprises Ward No. 2.

WARD 3.

Beginning at a point which is the intersection of Weir and Lee Avenues and continuing westwardly along a line which is an extension of the center line of Lee Avenue to its intersection with the former Marland Heights corporate line; thence southeastwardly and southwardly along the former Marland Heights corporate line to its intersection with Marland Heights Road; thence eastwardly along the center line of Marland Heights Road and on a line which is the eastward extension of Marland Heights Road to its intersection with Harmon Creek; thence eastwardly along the center line of the meander of the Harmon Creek to its intersection with the Pennsylvania State line; thence northwardly along the Pennsylvania State line to its intersection with the Brooke and Hancock County line; thence westwardly along the Brooke and Hancock County line to a point which is the intersection of the southwardly extension of the Three Springs Cemetery Road and the Brooke and Hancock County line in the vicinty of the Weirton Airport; thence northwardly on the extended line of the Three Springs Cemetery Road and along the center line of the Three Springs Cemetery Road to its intersection with the Cove Road; thence westwardly along the center line of the Cove Road to its intersection with Greenbrier Road; thence northwardly along the center line of the Greenbrier Road to a point which is the intersection of an eastwardly extended line of the south boundary of the Haggerty subdivision with the Greenbrier Road; thence westwardly along this extended line and along the south line of the Haggerty subdivision to its point of intersection with the center line of South Eleventh Street; thence southwardly along the center line of South Eleventh Street to its intersection with the center line of Weir Avenue; thence southwardly along the center line of Weir Avenue to the point of beginning being the intersection of Weir and Lee Avenues. The above comprises Ward No. 3.

WARD 4.

Beginning at a point which is the intersection of the former Hollidays Cove corporate line and Marland Heights Road and extending southwardly along the former Hollidays Cove corporate line to its intersection with Bank Street, thence northwestwardly along a line which is a southwardly extension of Beaumont Drive; thence northwestwardly along the center line of Beaumont Drive to the intersection of Beaumont Drive and the former Marland Heights city line; thence southwestwardly along the former Marland Heights city line and an extension of the former Marland Heights city line to its intersection with the west bank of the Ohio River; thence southeastwardly along the west bank of the Ohio River to a point across from the intersection of Harmon Creek and the Ohio River; thence northeastwardly across the Ohio River to Harmon Creek; thence northeastwardly along the center line of the meander of Harmon Creek to a point which is the intersection of an extended line of Marland Heights Road with Harmon Creek; thence northwestwardly along this extended line and along the center line of Marland Heights Road to the point of beginning which is the intersection of Marland Heights Road and the former Hollidays Cove corporate line. The above comprises Ward No. 4.

WARD 5.

Beginning at a point which is the intersection of the Marland Heights Road and the former Hollidays Cove corporate line and extending northwestwardly along the Marland Heights Road to a point which is the intersection of an extended line of the former Marland Heights line and Marland Heights Road; thence northwardly along this extended line to the former Marland Heights city line and along the northern boundary of the former Marland Heights city line to the intersection of the extension of the former Marland Heights city line and the west bank of the Ohio River; thence southwardly along the meanders of the west bank of the Ohio River to a point which is the intersection of an extended line of the former Marland Heights city southeast line and the west bank of the Ohio River; thence northeastwardly along this extended line of the former Marland Heights city line and along the former Marland Heights city line to its intersection with Beaumont Drive; thence southeastwardly along the center line of Beaumont Drive and an extension of this line to the intersection of the former Hollidays Cove corporate line at Bank Street; thence northeastwardly along the former Hollidays Cove corporate line to the point of beginning which is the intersection of the Hollidays Cove corporate line and Marland Heights Road. The above comprises Ward No. 5.

WARD 6.

Beginning at a point which is the intersection of North Twentieth Street and Pennsylvania Avenue and extending northwardly along the center line of North Twentieth Street to its intersection with the north boundary of the Truax Addition; thence northwardly along an extended line from this intersection to a point which is the intersection of North 12th Street and Kings Creek; thence northwardly and westwardly along the center line of the meander of Kings Creek to a point which is the intersection of the northwardly extension of the center line of Pershing Avenue and Kings Creek; thence on an extended line southeastwardly to a point which is the northwest boundary of the Owings Addition at June

Street, thence southwestwardly and southwardly along the Weirton Steel line to the southern boundary of the Weirmont Plan; thence eastwardly along the southern boundaries of the Weirmont Plan to the intersection of South Eleventh Street; thence southwardly along the center line of South Eleventh Street to its intersection with the southern boundary of the Haggerty Addition; thence eastwardly along the southern boundary of the Haggerty Addition and on an extended line of this boundary to its intersection with Greenbrier Road; thence northeastwardly along the center line of Greenbrier Road to a point which is the intersection of an extended line of the center line of Greenbrier Road with Pennsylvania Avenue in the vicinity of the northwest corner of the Belleview Plan of lots; thence northwestwardly along the center line of Pennsylvania Avenue to the point of beginning which is the intersection of North 20th Street and Pennsylvania Avenue. The above comprises Ward No. 6.

WARD 7.

Beginning at a point which is the intersection of Pennsylvania Avenue and North Twentieth Street and extending northwardly along the center line of North Twentieth Street to its intersection with the northern boundary of the Truax Addition; thence northwardly along an extended line of this intersection to the intersection of North 12th Street and Kings Creek; thence southeastwardly along the center line of the meander of Kings Creek to the Pennsylvania State line; thence southwardly along the Pennsylvania State line to its intersection with the Brooke and Hancock County line; thence westwardly along the Brooke and Hancock County line to a point which is the southwardly extension of the center line of the Three Springs Cemetery Road in the vicinity of the Weirton Airport; thence northwardly along the extended line which is the center line of the Three Springs Cemetery Road and along the center line of the Three Springs Cemetery Road to its intersection with the Cove Road; thence westwardly along the center line of the Cove Road to its intersection with the Greenbrier Road; thence northwardly along the center line of the Greenbrier Road and an extension of the Greenbrier Road to its intersection with Pennsylvania Avenue; thence northwestwardly along the center line of Pennsylvania Avenue to the point of beginning which is the intersection of Pennsylvania Avenue and North 20th Street. The above comprise Ward No. 7.

SECTION 3. PURPOSES OF WARD DIVISION.

The foregoing division of the City into seven wards shall be for purposes of election and Council representation only, and shall not be construed as limiting or restricting the power of the governing body of the City to create other and different districts and divisions for purpose of zoning ordinances, building restrictions, fire and police protection, and other ordinances or regulations with respect to safety, recreation, traffic control, parking of vehicles, transportation, health, general welfare or other matters which are the proper subjects of Municipal action.

ARTICLE III
ADMINISTRATIVE AUTHORITIES AND OFFICES

SECTION 1. MUNICIPAL AUTHORITIES.

The Municipal authorities of the City of Weirton shall consist of a Mayor, to be elected at large from the City, and seven Councilmen, to be elected as hereinafter provided.

SECTION 2. ADMINISTRATIVE OFFICES.

(A) Offices. In addition to the Municipal authorities mentioned in the section above, the City shall have and there are created, the following Municipal offices:

(a) City Manager
(b) City Clerk
(c) Police Court Judge
(d) City Attorney
(e) City Treasurer and Auditor
(f) City Engineer
(g) City Physician and Health Officer
(h) Chief of Police
(i) Chief of Fire Department
(j) Recreation Director
(k) Building Inspector

and such other departments, commissions and boards as the governing body of the City may create by ordinance.

The City Council shall have the power to create additional administrative offices and to abolish any of the offices by it created.

(B) Appointment. The City Manager shall be appointed by the Mayor with the consent and approval of the Council; all other offices mentioned in Section 2-A of this section shall be filled and appointed by the Mayor upon the recommendation of the City Manager with the consent and approval of the Council. All appointments shall be for the duration of the term of the Council or unless sooner removed as hereinafter set forth. Whenever the Mayor shall fail to make any and all appointments under him, as are required to be made by him, for a period of thirty days from the time such appointment shall have been made, after having been requested by Council by resolution so to do, such appointment may be made by the Council. All appointed officers, other than the City Manager, must be residents of the City of Weirton for at least one year prior to their appointment and must continue to reside in the City for the duration of their term.

(C) Removal. All appointed officers may be removed from office by the Mayor, but in the event of such removal, the discharged officer may appeal to the Council, and if such an appeal is taken, Council shall hold a public hearing and the removal shall not be effective unless approved by two-thirds majority vote of the Council after such public hearing.

(D) Compensation. The City Manager and other administration officers holding offices created by Article III, Section 2 of this Charter, or which shall be hereafter created by the City Council, shall receive such salary, compensation and wages as the City Council shall from time to time by ordinance or resolution fix and prescribe.

SECTION 3. QUALIFICATIONS AND REQUIREMENTS.

Each candidate for Mayor or Councilman or to remain a Mayor or member of the City Council, shall

(A) Be a resident of the City of Weirton for at least five years prior to the election.

(B) Be a registered elector.

(C) Be a citizen of the United States for at least ten years.

(D) Be assessed and must have paid taxes on at least five hundred dollars worth of real or personal property for the year preceding his election to office.

(E) Not have been convicted under the laws of the State of West Virginia, or of the United States, of any offense involving malfeasance in public office, or a violation of the registration or election laws.

(F) Not hold any other appointed or elected office in the City or County except as is hereafter set forth in this Charter.

(G) Not hold office as Councilman if he fails to attend Council meetings for a period of six months, or whose residence is changed to a point outside the ward for which he has been elected.

(H) Any officer of the City who shall become or be directly or indirectly interested in any contract or in the profits to be derived therefrom with the Municipality shall forthwith forfeit his office; and in addition thereto, any such contract shall be void and unenforceable against the City; and the acceptance by any officer of any interest in such contract or of any gift or gratuity from any person, firm or corporation dealing with the City which might influence the officer in the discharge of any duty, shall disqualify the person forever from holding any office or employment in the government of the City of Weirton; and in addition, such person shall be subject to criminal prosecution under any ordinances of the City or laws of the State of West Virginia.

ARTICLE IV
MAYOR AND COUNCIL GENERALLY

SECTION 1. ELECTION AND TERM OF MAYOR; POWERS AND DUTIES.

The Mayor of the City shall be elected at large from the City, at the first regular Municipal election following the effective date of the adoption of this revised Charter of the City. The Mayor's term of office shall begin with the first day of the fiscal year immediately following such election, and shall continue for a period of four years. If a vacancy shall occur in the office of Mayor during such term, because of death, resignation, incapacity or other cause or condition, the Council shall, by a majority vote of all its members, select one of its members to complete the unexpired term of the Mayor, and the vacancy in Council caused by such election, shall be filled in the same manner as any other vacancy in Council.

The Mayor shall be a member of the governing body of the City, shall preside at all meetings of the Council, and shall have a vote, in case of tie, in all such meetings with respect to all ordinances, resolutions and other matters being considered thereat. He shall be recognized as the chief executive of the City for all civil and ceremonial purposes, for all legal proceedings involving the City, including the service of process, and for acts

or transactions involving the preservation of law and order, and the application to the City of military law. In addition, he shall have and may exercise all such rights, powers and immunities as may be provided by the Charter, the general law of the State and the ordinances of the governing body, as well as such other rights, powers and immunities as may be reasonably appropriate to the performance of his duties as Mayor under the Charter or the general law of the State. He shall immediately, upon assuming office, at the first meeting of Council, or as soon thereafter as possible, appoint all officers with the consent and approval of the Council.

SECTION 2. ELECTION AND TERM OF COUNCIL.

The members of Council shall be elected from the several wards of the City, in the manner hereinafter provided, at the first regular Municipal election following the effective date of this revised Charter. Their term of office shall begin with the first day of the fiscal year immediately following such election, and shall continue for a period of four years. If a vacancy shall occur in Council during any such term, because of death, resignation, incapacity or other cause or condition, including the election of a member of Council to fill a vacancy in the office of Mayor, the remaining members of Council, by a majority vote, shall elect a qualified person from the proper ward to fill the vacancy. If such vacancy is not filled within a period of six weeks after the occurrence of the vacancy, Council shall cause a special election to be held in the ward within ninety days after the expiration of such six weeks' period unless a regular election is scheduled to be held within one hundred twenty days after the expiration of such period, in which event, the vacancy shall be filled at such regular election. Any such election to fill a vacancy shall be held in the same manner and under the same procedure as any regular Municipal election, except that the successor elected shall take office immediately and hold office for the unexpired term of his predecessor.

SECTION 3. COMPENSATION.

The Mayor of the City shall receive a salary of five hundred dollars per year, and each member of the City Council shall receive a salary of one hundred dollars per year.

ARTICLE V
THE COUNCIL

SECTION 1. POWERS.

The Council shall have plenary power and authority therein by ordinance or resolution, as the case may require, so far as such power or authority is not in conflict with the Constitution and laws of the State or the United States, and, in addition, they shall exercise the following powers:

1. Survey. To have the City surveyed.
2. Streets, sidewalks, sewers, generally. To open, vacate, broaden, change grade of, grade and pave streets, sidewalks and gutters for public use, and to alter, improve, embellish and ornament and light the same, and to construct and maintain public sewers, laterals and sewerage disposal systems, and shall, in all cases, have power and authority to assess upon and collect from the property benefited thereby, all, or such part of the expenses thereof as shall be fixed by ordinance, except as hereinafter provided.

3. Regulation of use of streets, etc., generally; obstructions, pollution, litter. To have control of all streets, avenues, roads, alleys and grounds for public use in the City, and to regulate the use thereof and driving thereon, and to have the same kept in good order and free from obstruction, pollution or litter on or over them.
4. Bridges generally. To have the right to control all bridges within the City and the traffic passing thereover.
5. Street names; renumbering of houses. To change the name of any street, avenue or road within the City, and to cause the renumbering of houses on any street, avenue or road therein.
6. Width of streets, etc. To regulate and determine the width of streets, sidewalks, roads and alleys.
7. Curbing and paving of sidewalks and footways. To order and direct the curbing and paving of sidewalks and footways for public use in the City to be done and kept clean and in good order by the owners of adjacent property.
8. Abuse of animals. To prohibit and punish the abuse of animals.
9. Vagrants, beggars, prostitutes, etc. To restrain and punish vagrants, mendicant beggars, tramps, prostitutes, drunken or disorderly persons within the City, and to provide for their arrest and manner of punishment.
10. Bringing person or animal afflicted with contagious disease into the City. To prohibit by ordinance the bringing into the City of any person or animal afflicted with contagious or infectious disease, and to punish any violator of said ordinance who knows or has reason to believe such person or animal to be so afflicted.
11. Houses of ill fame, etc.; gaming houses; gaming. To suppress disorderly houses of prostitution or ill fame, houses of assignation, and gaming houses or any part thereof, and to punish gaming.
12. Slaughterhouses, etc., generally. To prohibit within the City or within three miles thereof, slaughterhouses, soap or glue factories and houses of like kind.
13. Construction and repair of houses, etc., generally. To control the construction and repair of all houses, basements, walls, bridges, culverts and sewers, and to prescribe and enforce all reasonable regulations affecting the construction of the same, and to require permits to be obtained for such buildings and structures, and plans and specifications thereof to be first submitted to the Building Inspector.
14. Construction, maintenance, etc., of ditches, drains, etc. To control the opening and construction of ditches, drains, sewers, cesspools and gutters, and to deepen, widen and clear the same of stagnant water or filth, and to prevent obstructions therein, and to determine at whose expense the same shall be done.
15. Public grounds, squares and parks generally. To acquire, lay off, appropriate and control public grounds, squares and parks, either within or without the City limits as herein defined.
16. Purchase, sale, etc., of public buildings and real estate. To purchase, sell, lease, build or contract for, take care and regulate the management of all public buildings, structures and real estate, including libraries and hospitals, deemed proper for use of the City.
17. Removal of unsafe walls or buildings; excavations. To cause the removal of unsafe walls or buildings and the filling of excavations for the protection of the public.

18. Prevention of injury, etc., to business, etc., from anything dangerous, etc. To prevent injury or annoyance to the business of individuals from anything dangerous, offensive or unwholesome.
19. Intoxicating liquors. To prohibit the manufacture, transportation, possession, sale and keeping for sale of intoxicating liquors, except as the same may be authorized or permitted under the general laws of the State.
20. Abatement, etc., of things detrimental to health, morals, etc., of inhabitants of City. To define, prohibit, abate, suppress and prevent all things detrimental to the health, morals, comfort, safety, convenience and welfare of the inhabitants of the City and all nuisances and causes thereof, and to that end and thereabout to summon witnesses and hear testimony.
21. Quarantine. To declare and enforce quarantine against the introduction of any contagious or infectious disease prevailing in any other state, county or place, and of any and all persons and things likely to spread such contagion or infection.
22. Gunpowder, combustibles and dangerous articles. To regulate the keeping of gunpowder and other combustible or dangerous articles.
23. Explosives, firecrackers, fireworks; dangerous or annoying noises or performances. To regulate, restrain or prohibit the use of firecrackers or other explosives or fireworks, and all noises or performances which may be dangerous, annoying to persons, or tend to frighten horses or other animals.
24. Cemeteries and burial. To provide and maintain proper places for the burial of the dead and to regulate interments therein upon such terms and conditions as to price and otherwise as may be determined.
25. Trees. To provide for shade and ornamental trees and the protection of the same.
26. Division fences. To provide for the making of division fences.
27. Protection against fires. To make proper regulations for guarding against danger or damage from fires.
28. Maintenance of the poor. To provide for the poor of the City, and to that end, may contract with the proper authorities of Hancock County to keep and maintain the poor, or any number thereof, upon terms to be agreed upon.
29. Taxis, busses, streetcars, and railroad engines and cars. To make suitable and proper regulations in regard to the use of the streets and alleys for taxis, busses, streetcars, railroad engines and cars, and to regulate the running and operation of the same so as to prevent injury, inconvenience or annoyance to the public.
30. Prize fighting; cock and dog fighting. To prohibit prize fighting, cock and dog fighting.
31. Theatres, circuses, shows, etc. To license, tax, regulate or prohibit theatres, circuses, the exhibition of showmen and shows of any kind and the exhibition of natural or artificial curiosities, caravans, menageries, pictures, motion pictures and musical exhibitions and performances.
32. Further provisions as to construction, etc., of buildings. To regulate the construction, height and material used in all buildings and the maintenance and occupancy thereof.
33. Further provisions as to use of streets, etc. To regulate and control the use for whatever purpose of the streets and other public places.
34. Employment; compensation of employees. To create, establish, abolish and organize employments and fix the compensation of all employees of the City.

35. Fire companies and apparatus, etc. To organize and maintain fire companies and to provide necessary apparatus, engines and implements for the same.
36. Plumbing and electric wiring. To regulate and control the kind and manner of plumbing and electric wiring for the protection of the health and safety of the City.
37. Licensing, etc., of dogs and other animals. To license and tax dogs and other animals and regulate, restrain and prohibit them and all other animals and fowls from running at large.
38. Taxes for general and special purposes. To assess, levy and collect taxes for general and special purposes upon all the subjects or objects which the City may lawfully tax.
39. Assessments for local improvements. To levy and collect assessments for local improvements.
40. Bond issues. To borrow money on the faith and credit of the City by the issue and sale of bonds in the manner prescribed by law.
41. Appropriation of City money. To appropriate the money of the City for all lawful purposes.
42. Public works and improvements generally. To create, provide for, and regulate and maintain all things in the nature of public works and improvements.
43. Rules for transaction of business, etc. To adopt rules for the transaction of business and for its own regulation and government.
44. Promotion of general welfare and protection of persons and property. To promote the general welfare of the City and to protect the persons and property of citizens therein.
45. Weighing of produce, etc.; transportation of articles through streets. To regulate and provide for the weighing and inspection of produce and other articles sold in the City, and to regulate the transportation thereof, and other things, through the streets.
46. Licensing of business licensed by State. To have the sole and exclusive right to grant, refuse or revoke any and all licenses for the carrying on of any business within the City on which the State exacts a license tax.
47. Markets. To establish and regulate City markets and to prescribe the time for holding the same, and what shall be sold in such market, and to acquire and hold property for market purposes.
48. Placing of signs, etc., in or over streets or public grounds. To regulate or prohibit the placing of signs, billboards, posters and advertisements, in, on, or over the streets, alleys, sidewalks and public grounds of the City.
49. Preservation of peace, etc.; sale and use of certain drugs. To preserve and protec the peace, order and safety and health of the City and its inhabitants, including the right to regulate the sale and use of cocaine, morphine, opium and poisonous drugs.
50. Police, etc., regulations; exercise of police power. To make, enforce and provide local police, sanitary and other regulations, and fully exercise all lawful police powers.
51. City elections. To appoint and fix the place of holding City elections.
52. Gasworks, telephone plant and electric light works. To erect, own, lease, authorize or prohibit the erection of gasworks, telephone plant or electric light works in or near the City, and to operate the same and sell the products or services thereof, and to do any and all things necessary and incidental to the conduct of such business.

53. Purity of milk, meats and provisions. To provide for the purity of milk, meats and provisions offered for sale in the City, and to that end, provide for a system of inspecting the same and making and enforcing rules for the regulation of their sale, and to prohibit the sale of any unwholesome or tainted milk, meats, fish, fruit, vegetables, or the sale of milk containing water or other things not constituting a part of pure milk.
54. Inspection of dairies and slaughterhouses. To provide for inspecting dairies and slaughterhouses whether in or outside of the City, where the milk and meat therefrom are offered for sale within the City.
55. Ordinances and rules for protection of health, property, places of divine worship, etc. To prescribe and enforce ordinances and rules for the purposes of protecting the health, property, lives, decency, morality and good order of the City and its inhabitants, and to protect places of divine worship in and about the premises where held, and to punish violations of such ordinances even if the offense under and against the same shall constitute offense under the law of the State of West Virginia or the common law.
56. Working prisoners. To provide for the employment and safekeeping of persons who may be committed in default of the payment of fines, penalties or costs under this Charter, who are otherwise unable or fail to discharge the same, by putting them to work for the benefit of the City upon the streets or other places provided by the City, and to use such means to prevent their escape while at work as the Council may deem expedient; and the Council may fix a reasonable rate per day as wages to be allowed such person until the fine and costs against him are thereby discharged.
57. Compelling attendance of members at Council meetings. To compel the attendance at public meetings of the members of the Council.
58. Pollution of water supply. To prevent any person, association or corporation from polluting, in any manner, any pond, lake, basin, reservoir, stream, spring, creek or other body of water from which the City shall take water to be used for domestic purposes by the inhabitants thereof, or from casting into any such body of water, or on the bank thereof or in such proximity thereto that the same may enter therein any filthy, unwholesome or obnoxious substances, object or liquid, or anything whatsoever injurious to the health of the people of the City.
59. Other powers granted to municipalities by State Constitution or laws; how powers to be exercised. To exercise all other powers that now are or hereafter may be granted to the City of Weirton or to municipalities by the Constitution or the laws of the State of West Virginia; and all such powers, whether expressed or implied, shall be exercised and enforced in the manner prescribed by this Charter, or when not prescribed herein, in such manner as shall be provided by the ordinance or resolution of the Council.

The enumeration of particular powers of this Charter shall not be held or deemed to be exclusive, but, in addition to the powers enumerated herein, impliedly thereby, or appropriate to the exercise thereof, the Council shall have and exercise all other powers, which under the Constitution and laws of the State of West Virginia, it would be competent for this Charter specifically to enumerate.

SECTION 2. JURISDICTION; ENFORCEMENT OF ORDINANCES.

For all such purposes, the jurisdiction of the City shall, when necessary, extend for five miles beyond the corporate limits of the City, excepting any other municipal corporatior or part thereof, within said five mile limit; however, in the erection and extension of waterworks, water mains, sewerage works and sewers, such powers may, without regard to whether or not such extension of powers is necessary to the reasonably efficient exercise of such powers within the corporate limits, be extended fifteen miles beyond the corporate limits and within the corporate limits of another municipal corporation if the latter, by ordinance, requests such extension; to excercise all other powers that now are or hereafter may be granted to the City of Weirton or to municipalities by the Constitution or the laws of the State of West Virginia; and all such powers, whether expressed or implied, shall be exercised and enforced in the manner prescribed by this Charter, or when not prescribed herein, in such manner as shall be provided by the ordinances or resolutions of the Council. The jurisdiction of all police officers shall extend to all parts of the City of Weirton, and to such other parts of Brooke and Hancock Counties, West Virginia as do not exceed five miles in distance from said City.

The Council shall provide for the enforcement of all ordinances by reasonable and proper penalties, consisting of fines or imprisonment or fines and imprisonment, with suitable rules and regulations for the enforcement of such penalties; provided, however, that in no event, except as hereinafter provided, shall imprisonment for a longer period than sixty days or a greater fine than five hundred dollars or both, be imposed for any one offense. Nothing herein shall limit or prevent the Council from providing penalties for violations of traffic laws equal to the penalties provided by the general laws of the State for like offenses constituting misdemeanors.

SECTION 3. ADDITIONAL POWERS.

The City also shall have all powers conferred upon it and granted by Chapter 8 of the Official Code; and Article 4, Chapter 8-A; and Sections 2 and 8, Article 5, Chapter 8-A of the Official Code; provided, however, that the enumeration of the powers therein mentioned shall not operate to exclude the exercises of other powers fairly incidental thereto or reasonably implied and within the purposes of the Official Code; and the provisions of said sections shall be given full effect without regard to the common law rule of strict construction.

ARTICLE VI
COUNCIL MEETINGS; ORDINANCES AND RESOLUTIONS

SECTION 1. ORGANIZATION AND REGULAR MEETINGS.

Council shall hold an organization meeting on the first Monday following the commencement of their terms of office and shall thereafter meet in regular session of the first Monday following the first Tuesday of each month at a time and place to be specified by ordinance or resolution of the governing body.

SECTION 2. SPECIAL MEETINGS.

Council may hold special meetings at the place selected for their regular meetings commencing at such hour as they determine. The special meetings shall be called by the City Clerk upon the written request of the Mayor or of three members of Council. At least two days' written notice of the time, place and purposes of the special meetings shall be given to each member of Council and the Mayor by mail or manual delivery to the person or the person's residence, and the meeting may not consider or act upon any subject not specifically mentioned in such notice.

SECTION 3. RULES OF ORDER AND PROCEDURE.

Council shall determine its own rules of order and procedure, shall keep and preserve minutes of its meetings and other acts, and shall act only by ordinance and resolution. Ordinances shall be required in any matter as which there is a specific provision of the general law of the State to such effect.

SECTION 4. ORDINANCES AND RESOLUTIONS GENERALLY.

No ordinance shall be enacted except upon two readings thereof at separate regular or special meetings (which need not be consecutive) with at least one week intervening between the meetings; provided, however, that at any regular or special meeting of Council, with all members present, an emergency ordinance may be passed at one reading by a unanimous vote of the members of Council declaring the same to be an emergency ordinance. In all cases where it is required by the general law of the State, a proposed ordinance shall be published, as required by law, at least ten days before final passage, and any interested party shall have the right to appear and be heard with respect to the proposed ordinance at a meeting of Council before such final passage. No material amendment may be made in a proposed ordinance after its publication. In addition, Council may also determine, by a majority vote of all the members then in office that ordinances and resolutions with respect to particular subjects (other than those as to which publication is required by law) shall be advertised and that resolutions with respect to particular subject shall not be adopted without a second reading; any resolution containing such a determination shall not be rescinded except by the majority vote of all the members of Council then in office.

SECTION 5. QUORUM; CONFLICT OF INTEREST.

A majority of the members of Council then in office shall constitute a quorum, but a less number may adjourn any meeting from day to day until a quorum has been secured and may take action to insure the attendance of a quorum. Unless a larger vote is required by this Charter or the general law of the State, Council shall act by a majority of those present, if there is a quorum, but a motion to adjourn or to compel the attendance of absent members may be adopted by a majority of those present at any lawful meeting, despite the absence of a quorum. If a member of Council is personally interested in any matter being considered by Council, he may not vote or particiate in the meeting, but he may be counted in determining whether or not there is a quorum present at the meeting.

SECTION 6. MEETINGS OPEN TO PUBLIC.

Regular meetings of Council shall be open to the public and the minutes of any meeting, regular or special, shall be open to inspection by the public.

SECTION 7. INTRODUCTION OF ORDINANCES AND RESOLUTIONS.

Ordinances and resolutions shall be introduced into Council only in written or printed form. All ordinances, except ordinances making appropriations and ordinances codifying or rearranging existing ordinances or enacting a code of ordinances, shall be confined to one subject, and the subject or subjects of all ordinances shall be clearly expressed in the title. Ordinances making appropriations shall be confined to the subject of appropriations.

SECTION 8. EFFECTIVE DATE OF ORDINANCES AND RESOLUTIONS.

Ordinances making the annual tax levy, appropriation ordinances, ordinances and resolutions pertaining to local improvements and assessments, ordinances and resolutions providing for or directing any investigation of City affairs, resolutions requesting information from administrative officers or directing emergency measures, shall take effect at the time indicated therein. Except as otherwise prescribed in this Charter or the general law of the State, all other ordinances and resolutions shall take effect at the time indicated therein, but not less than thirty days from the date of their passage.

ARTICLE VII
OFFICERS AND EMPLOYEES

SECTION 1. CITY MANAGER.

The administration of the business and financial affairs of the City shall be under the supervision and control of a City Manager.

1. Appointment. He shall be appointed by the Mayor with the consent and approval of the Council at the first meeting of the Council or as soon thereafter as possible.

2. Qualifications. The City Manager need not be a resident of the City or the State of West Virginia, but he must be a citizen of the United States, and he must have had at least two years of experience in municipal administration or two years of education in municipal administration or its equivalent in a college or other institute of higher learning.

3. Powers and duties. The powers and duties of the City Manager are, as follows:

   (a) He shall supervise, control and direct the affairs and business of all of the administrative offices created in Article III, Section 2 of this Charter or which shall hereafter be created by Council under the authority therein contained.

   (b) He shall employ and discharge, at will, all other employees of the City except administrative officers and employees in the Police Department and Fire Department.

   (c) He shall attend all meetings of Council, and shall recommend to Council, for adoption, such measures and resolutions as he may deem expedient.

   (d) He shall employ competent experts to advise with him in planning the improvements of public works, streets, sewers, etc.

   (e) He shall supervise, improve, protect and maintain City property and equipment; purchase, lease and dispose of City properties, supplies and equipment; supervise the operation of the various heads of the City; and make rules and regulations for the efficient and economical operation thereof.

(f) He shall act as purchasing agent and purchase supplies and materials, etc., but, however, he shall not make any contract or purchase involving an expenditure in excess of five hundred dollars without first obtaining the consent of Council so to do. All supplies and materials purchased by the City in excess of one thousand dollars shall be purchased on competitive bids. All proposals for such shall be upon precise specifications and notice of the requirements of the City shall be given to dealers in supplies and materials of the kind required, who, by reason of location, are best able to furnish the same at the lowest price. All purchases shall be ordered by the City Manager and only on approval of the Council shall payment be made.

(g) He shall make and execute, on behalf of the City, all writings, contracts, deeds and agreements, the making of which shall be authorized by the Council or by any ordinance, resolution or statute, and, in general, exercise all the powers of the City which are not specifically conferred upon any other officer or the governing body of the City by this Charter or the general law of the State.

(h) He shall prepare and submit to the Council the proposed annual budget, and prepare and make recommendation, by a monthly budget report, to the Mayor and Council with respect to financial and fiscal policies.

SECTION 2. CITY CLERK.

The City Clerk shall devote full time to his office and shall not engage in any other occupation or hold any other office, and, in addition, he shall exercise the following powers:

(A) He shall attend all meetings of the Council and keep in a proper minute book a record of its proceedings, and sign the record of each said proceeding.

(B) He shall keep a complete record of all ordinances, resolutions and acts of the City Council. He shall enter in a separate volume all ordinances of a general nature, a violation of which shall subject any person to any penalty and carefully index the same. All ordinances providing for the issuing of bonds, the creation of a debt, the construction of any public improvement, or of any local or temporary nature shall be entered in a separate volume by the City Clerk and carefully indexed. He shall keep complete books of account showing all financial transactions of the City and of each department, all receipts, expenditures made by the City, the sources of all income and the purposes of all expenditures. He shall enter in the Municipal assessment docket all special assessments made for public improvements, showing the name of the owner of the property, the particular property on which the assessment is levied, the date of the entry, and the minute book and page showing the entry of the ordinance or resolution creating the assessment, and the maturing time of the assessment. When and as the installments upon principal and interest on each assessment shall be paid, he shall enter such payments showing the amount paid upon principal, the amount of interest, under the heading and in the account of such special assessment. When the special assessment, principal and interest shall have been paid in full, he shall make an entry in red ink on the face of the account showing that the special assessment is fully satisfied and paid. He shall make out all vouchers and pay rolls of the City, and shall do and perform all other duties which may be required of him by the Council by any ordinance or resolution.

(C) He shall prepare and cause to be served all notices required to be given to any person, firm or corporation, and after proper service and return thereof of any notice, he shall file and preserve the same.

(D) He shall file in convenient form so as to be readily accessible all correspondence carried on by the City or by any department thereof, and, as custodian of all the books, records and proceedings of the Council, he shall make and certify copies thereof whenever required and affix the Corporate Seal of the City to any paper required to be sealed and to any certified copy of any paper, order or proceeding which he may make.

A copy of any record, paper, entry, order, ordinance, resolution or proceeding made by the Council, or by the Police Court Judge when properly certified under the Seal of the City, shall be admissible as evidence in any court in the State in any proceeding in which the original paper or record, if present, would be admissible.

Unless otherwise provided by Council, the office of the City Clerk shall be kept open by the City Clerk or by some deputy or assistant, on each secular day from nine a.m. until five p.m. for the transaction of the public business.

SECTION 3. POLICE COURT; POLICE COURT JUDGE.

There shall be a Police Court which shall be presided over by a Police Court Judge.

(A) He shall have charge of and preside over the Municipal Court of the City. He shall have power to summon witnesses for the trial of any case before him; to compel the attendance of police officers of the City; to require of said police officers the enforcement of any order or judgment entered or rendered by him under the powers herein given said Police Court Judge; and to issue executions for all fines, penalties and cost imposed by him. In the discharge of his duties and in the trial of cases, the Police Court Judge shall, insofar as practicable, follow the rules or proceedings of the courts of the State of West Virginia which exercise jurisdiction in criminal cases. All cases for alleged ordinance violations shall be tried by the Police Court Judge without a jury. He shall be ex officio a justice and a conservator of the peace with authority to issue process for all offences committed within the police jurisdiction of the City of Weirton.

(B) He shall issue warrants upon complaint under oath of any person or officer for the arrest of anyone charged with the violation of any ordinance of the City, or on a State warrant as ex officio justice of the peace.

(C) He 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 wellbound book to be known as the Police Court Docket. A record of the entries made each day in said Docket shall be signed by the Police Court Clerk or the Police Court Judge at the close of the day. An appeal shall lie to the circuit court or to the criminal court of Hancock or Brooke County from all judgments of the Police Court Judge wherein and in the manner an appeal from the judgment of a Mayor of a City is allowed by law.

(D) He shall exercise the power to punish within the limits prescribed by the ordinances of the City or by the laws of the State of West Virginia applicable to the City and not in conflict with this Charter.

In the absence or the disability of the Police Court Judge, his powers, functions and duties may be assigned, by the City Manager, to the City Attorney, to act as Police Court

Judge, but any such assignment shall not be for a period of more than thirty days.

SECTION 4. CITY ATTORNEY.

The City Attorney shall be a resident of the City of Weirton and a member of the Bar of Hancock or Brooke County in good standing, and shall perform and discharge all duties and exercise all powers which shall be conferred upon him by any ordinance or resolution of the City Council, and, in addition, he shall exercise the following powers:

(A) Be the legal adviser of the Attorney and Council for the City and for all of the administrative officers thereof, in respect to their official duties.

(B) Prosecute and defend all suits for or against the City, and prepare all contracts, bonds or other writings in which the City is concerned, and endorse on each, his approval of the form and correctness thereof.

(C) Be prosecuting attorney of the Police Court and prosecute all cases brought before such court, and perform the same duties so far as they are applicable thereto as are required of the prosecuting attorney of the County.

(D) The City Council and all administrative officers of the City may require the opinion of the City Attorney upon any question of law involving their respective powers and duties, and he shall furnish the same in writing.

(E) Apply in the name of the City to a court of competent jurisdiction for an order of injunction restraining the misapplication of funds of the City or the abuse of its corporate powers, or the execution or performance of any contract made on behalf of the City in contravention of law, or which was procured by fraud or corruption.

(F) When an obligation or contract made on behalf of the City granting a right or easement, or creating a public duty, is evaded or violated, the City Attorney shall require the specific performance of the duty by any administrative officer by application for a writ of mandamus to a court of competent jurisdiction.

The City Manager or City Council, whenever the exigencies of the business of the City require such action shall have the right to employ special counsel to assist the City Attorney.

SECTION 5. CITY TREASURER AND AUDITOR.

The City Treasurer and Auditor shall have the powers and duties herein set forth:

(A) Establish and maintain all accounts and accounting records of the City government, including the accounting records of other departments.

(B) Supervise and record the collection of revenues.

(C) Verify and approve disbursements.

(D) Prepare and submit to the Mayor, City Manager and Council such financial and fiscal reports as may be required.

(E) Prepare and submit to the City Manager such information as he may require for the preparation of the proposed annual budget.

SECTION 6. CITY ENGINEER.

The City Engineer shall be a competent civil or mechanical engineer and currently registered in the State as a professional engineer, and shall discharge all duties and exercise all powers which shall be conferred upon him by an ordinance or resolution of the City Council and, in addition, he shall exercise the following powers:

(A) Design, construct, maintain and repair City buildings, streets, roads, sidewalks, sewerage systems, lighting systems, water-supply systems, sanitary facilities, fire and police alarms, garbage-disposal facilities, bridges, culverts, tunnels and all Municipal improvements, equipment and facilities.

(B) Provide and maintain inspection services for the enforcement of City ordinances relating to zoning, and the construction and repair of buildings.

(C) Advise and assist the City Planning Commission and any zoning commission or zoning board of adjustments which may be created by the City.

(D) Establish and maintain records relating to the construction and maintenance of public buildings and facilities and public planning. The City Manager or City Council whenever the exigencies of the business of the City require such action shall have the right to employ engineers to assist the City Engineer.

SECTION 7. CITY PHYSICIAN.

The City Physician shall be a member of the medical profession in good standing, and shall discharge all duties and exercise all powers which shall be conferred upon him by any ordinance or resolution of the City Council or by State law, and, in addition, he shall exercise the following powers:

(A) Establish and maintain a health center.

(B) Establish regulations and procedures for quarantines, the control of disease carriers, and the prevention of infectious and contagious diseases.

(C) Provide for public nursing services.

(D) Provide and maintain services for the inspection of food products, beverages and drugs, and of places in which food products, beverages and drugs are produced, processed, stored, handled, distributed or sold.

(E) Maintain records of diseases and other matters relating to the public health.

The office and department herein provided for may be eliminated if the Council determines that reasonably satisfactory public health and nursing services can be obtained from the State county health authorities, or if a joint City and County public health department is established.

SECTION 8. CHIEF OF POLICE.

The Chief of Police shall discharge such duties as may be required of him by ordinance or resolution of Council or by State law, and, in addition, he shall exercise the following powers:

(A) See to the preservation of peace and order throughout the City, and the protection of property in and throughout the City, and, to that end cause all violators of City ordinances to be apprehended.

(B) Supervise and control the Police Department, and require of all members of the police force, the proper discharge of their respective duties.

(C) Maintain proper records of criminal acts, criminals and arrests.

(D) Cause to be served and executed any criminal process issued by any court of competent jurisdiction in the City.

SECTION 8-A. POLICE OFFICERS.

The City shall have such number of police officers as the City Manager may deem sufficient, within the limits of the appropriation for Police Department salaries, who shall receive such salaries as may be fixed by law and appropriation. The appointment, promotion, demotion, tenure of office and removal of all such officers shall be governed by the civil service system, now in effect.

SECTION 9. FIRE CHIEF.

The Chief of the Fire Department shall have general supervisions and control of the property and appliances of the City to be used for the prevention and extinguishing of fires, and, in addition, he shall exercise the following powers:

(A) Combat fires within the City limits.
(B) Inspect and abate fire hazards.
(C) Prevent the occurrence of fires.
(D) Maintain records of fires and related matter.
(E) Discharge of all of the duties which may be imposed upon him by any ordinance or resolution adopted or passed by the City Council or by State law.

SECTION 9-A. FIRE DEPARTMENT; VOLUNTEER FIRE DEPARTMENT SYSTEM.

The Fire Department shall be divided into as many companies as the Council may deem necessary, each of which shall have a battalion chief and a captain, to be selected in accordance with the rules and regulations of the particular company. The Fire Department shall also have such paid drivers and employees within the limits of the appropriation for the Fire Department as the City Manager may determine to be necessary for the efficient operation of the department, the maintenance of the alarm system and other equipment, and the inspection of fire hazards, etc., who shall receive such salaries as may be fixed by law and the appropriation. The appointment, promotion, demotion, tenure of office and removal of all such officers shall be governed by the civil service system, now in effect.

The City may utilize a volunteer fire department system to supplement the paid Fire Department members.

SECTION 10. BUILDING INSPECTOR.

The Building Inspector shall be a competent person for the duties of his office. He shall not, during his term of office, be engaged in or interested in the building business in any pecuniary way or manner, and, in addition, he shall exercise the following powers:

(A) He shall see that the ordinances of the City and the laws of the State, concerning buildings, are enforced.
(B) He shall issue permits on applications for new construction, remodeling or alterations when authorized to do so by the City Manager.
(C) He shall perform such other duties as the Council may from time to time direct by ordinance or resolution.

SECTION 11. CITY RECREATION DIRECTOR.

The City Recreation Director shall have the powers and duties herein set forth:

(A) Supervise, manage and control all Municipal public parks, parkways, playgrounds, athletic fields, stadiums, swimming pools, skating rinks, and other recreation

facilities of all kinds, used as a part of the recreation system, or as a means of maintaining places of beauty, education and recreation, promoting the health, property and lives of the general public, particularly the inhabitants of the City of Weirton, West Virginia.

(B) To keep in good order and repair the land, buildings, and other recreational facilities.

(C) To do any and all acts which in any way may be necessary to the use and enjoyment of the recreation facilities by the general public as a place for entertainment or recreation.

(D) He shall perform such other duties as the Council may from time to time direct by ordinance or resolution.

SECTION 12. DEPARTMENTS, COMMISSIONS AND BOARDS.

The powers, functions, rights, privileges and immunities of the departments described in Article III, Section 2, and of any other departments, commissions and boards created by ordinance pursuant to Article III, Section 2, or otherwise, shall be defined by the governing body of the City within the limits of this Charter and the general laws of the State. Supplies and personnel for the various departments, commissions and boards shall be provided by the City Manager within the limits of the appropriations therefor. Except as expressly provided in this Charter or in the general law of the State, no full-time officer or employee of the City may hold any other office or position (except an honorary one) with the City, the State or the United States, or any department, commission, board or instrumentality of any thereof; provided, however, that (a) the City Clerk may also act as Chief Clerk of the Accounting and Treasury Department; (b) the City Manager may assign any City employee to perform services for two or more City departments, commissions and bureaus; (c) any City official or employee may also act as a volunteer fireman; and (d) if and so long as the governing body of the City so directs, the City Manager shall perform the functions and have the powers, duties and immuniites of the head of the Health Department, the Public Works Department and any other department, board or commission created by ordinance pursuant to Article III, Section 2.

SECTION 13. OATH OF OFFICE.

All officers elected and appointed shall, before assuming his duties to which he has been elected or appointed, take and subscribe an oath or affirmation to support the Constitution of the United States and the State of West Virginia, and to perform faithfully, honestly and impartially the duties of his office to the best of his skill and judgment, which oath shall be filed with the City Clerk.

SECTION 14. BONDS.

The Council may require bond from any officer or employee which shall be approved as to form by the City Attorney. No officer or employee of the City of whom a bond is required shall enter into the discharge of his official duties or of the duties which he is employed to discharge until his bond has been duly filed and approved. Such bond shall be in the penalties sufficient in the opinion of the City Council to secure the City against any loss and shall be made payable to the City of Weirton.

ARTICLE VIII
NOMINATIONS AND ELECTIONS

SECTION 1. ELECTION REQUIREMENTS.

All elections for members of Council and the Mayor shall be conducted by the election authorities prescribed by the general election laws of the State, and the provisions of such general election laws shall apply to all such elections except as may be otherwise provided in this Charter. The duties imposed by such general election laws upon county clerks and circuit clerks shall devolve upon the City Clerk, and the duties imposed by such laws upon the county courts shall devolve upon the governing body of the City, which shall also have the power, by ordinance, to make such rules and regulations, not inconsistent with such laws or with this Charter, as may be deemed necessary or appropriate to provide for the regular and orderly conduct of such elections and the correct determination of the results thereof and for the prevention of fraud. Commissioners of election and poll clerks shall be appointed without regard to political party affiliation.

The registration of voters for City elections shall be done in the manner provided by the general laws of the State pertaining to the registration of voters for Municipal elections; provided, however, that the registration lists for Municipal elections shall not make any reference to the political party affiliations of the registered voters.

Regular Municipal elections shall be held on the first Tuesday in June in the year one thousand nine hundred and fifty-one, and on the first Tuesday in June in each succeeding fourth year. Persons elected at such elections shall hold office for terms of four years beginning on the first day of the fiscal year of the City following the election.

SECTION 2. NOMINATIONS.

Candidates for the offices of member of Council and Mayor shall be nominated at a primary election to be held on the first Tuesday in May preceding the regular election. Any person desiring his name to appear on the ballot as a candidate for any such offices at such primary election shall file, with the Clerk Clerk, on or before March 31 preceding such primary election date, a statement of his candidacy in ~~substantially~~ the following form:

Original charter states 10 days prior

STATE OF WEST VIRGINIA,
COUNTY OF HANCOCK (OR BROOKE), to-wit:

I, ..., being first duly sworn, according to law, do hereby declare that I reside at ....., Weirton, West Virginia; that I am a candidate for nomination to the office of (Mayor, or member of council for the .....Ward of the City of Weirton) at the primary election to be held on May ....., 19.....; that I desire my name to be included on the printed ballot for such election and that I will be able to fulfill all of the requirements for eligiblity to the foregoing office, if elected.

.....
Signature

Sworn to and signed before me this ..... day of ..... 19.....

.....
Notary Public

At the time of filing such statement, the candidate shall pay to the City Clerk, a filing fee of one hundred dollars ($100.00) if the office he is seeking is that of Mayor, or a

filing fee of fifty dollars ($50.00) if the office he is seeking is that of Councilman. These fees shall be used to defray the cost of printing the ballots and of other election expenditures.

As soon as the time for filing statements of candidacy shall have terminated, the City Clerk shall examine the same and prepare the ballots for the several wards (which shall be printed and bear the facsimile signature of the City Clerk) containing the names of those candidates whose statements of candidacy are in proper form. Such ballots shall be in substantially the following form, with an appropriate designation of the particular ward:

CITY NOMINATING ELECTION

May..... 19.....

Ballot for the nomination of candidates for the offices of mayor and members of council of the city of Weirton.

Place a cross (x) in the squares opposite the names of the persons for whom you wish to vote. If you wish to vote for any other qualified person or persons, you may write in their names in the blank spaces. Do not vote for more than the number indicated. If you vote for more than the number indicated or if you place any mark or writing on your ballot other than crosses (x's) or the names of qualified persons not named on the ballot for whom you desire to vote, your ballot will be void. If you spoil this ballot, tear it across once and return it to the election officer, who will issue a new ballot to you.

FOR THE OFFICE OF MAYOR

(Vote for Two)

Names of Candidates	Vote by X
.....	( )
.....	( )

FOR MEMBER OF COUNCIL FROM THE WARD

(Vote for Two)

Names of Candidates	Vote by X
.....	( )
.....	( )

No political party designations or other identifying marks shall appear on the ballot. Names of candidates shall be arranged in the alphabetical order of their surnames. If there shall be only one candidate for any particular office, only his name shall appear on the ballot, but in all cases, the ballot shall provide, as to each office to be filled, appropriate spaces in which the voter may write in the names of qualified persons for whom he desires to vote.

As soon as the polls at the primary elections shall have closed, the election boards in each precinct shall count the ballots and tabulate the results. The ballots and returns of the election boards shall be filed with the City Clerk before noon, Eastern Standard Time, on the day following the day of the primary election. As soon as all of such returns shall have been filed, the Council shall canvass the same, at a public meeting, and make a written certificate of the results, which certificate shall be signed by all of the members of Council present at the meeting and shall be attested by the City Clerk. The Council shall also cause such certificate to be published in a daily newspaper of general circulation on the second day following the day of the primary election.

The two candidates receiving the highest number of votes for nomination to the office of Mayor, and the two candidates receiving the highest number of votes for nomination to the office of member of Council for each ward shall be declared to be the nominees for the particular offices, and their names shall appear as such nominees on the ballots for the succeeding general election; if any nominee so selected shall die, withdraw or become ineligible before the general election, the person receiving the next highest number of votes shall be declared the nominee. Ties shall be determined by lot at a public meeting of Council, at which the tying candidates shall be entitled to be present. If only one candidate is nominated for any office, only his name shall appear upon the ballot for the general election. (Ord. 251. Passed 3-29-71; Ord. 244. Approved by voters 5-7-71; (Ord. 836. Passed 6-26-87.)

SECTION 3. BALLOTS.

In the general election, the Mayor shall be elected at large from the nominees for such office, and the members of Council shall be elected by qualified voters in each ward from the nominees for such office in the particular ward. The City Clerk shall prepare the ballots for the several wards (which shall be printed and bear the facsimile signature of the City Clerk) containing the names of the appropriate nominees, which ballots shall be in substantially the following form, with an appropriate designation for the particular ward:

REGULAR CITY ELECTION

June....., 19.....

Official ballot for the election of candidates for the offices of mayor and members of council of the City of Weirton

Place a cross (x) in the squares opposite the names of the persons for whom you intend to vote. If you wish to vote for any other qualified person or persons you may write in their names in the blank spaces. Do not vote for more than one person for each office. If you vote for more than one person for each office or if you place any mark or writing on your ballot other than crosses (x's) or the names of qualified persons not named on the ballot for whom you desire to vote, your ballot will be void. If you spoil this ballot, tear it across once and return it to the election officer, who will issue a new ballot to you.

FOR THE OFFICE OF MAYOR

Vote For One	Vote by X
.....	( )
.....	( )
.....	( )

FOR MEMBER OF COUNCIL FROM THE WARD

Vote For One	Vote by X
.....	( )
.....	( )
.....	( )

No political party designations or other identifying marks shall appear on the ballot. Names of candidates shall be arranged in the alphabetical order of their surnames. In all cases, the ballot shall provide, as to each office to be filled, an appropriate space in which the voter may write in the name of a qualified person for whom he desires to vote.

As soon as the polls at the regular election shall have closed, the election boards in each precinct shall count the ballots and tabulate the results. The ballots and the returns of the election boards shall be filed with the City Clerk before noon, Eastern Standard Time, on the second day following the regular election. As soon as all of such returns

have been filed, the Council shall canvass the same, at a public meeting, at which all candidates shall be entitled to be present and be represented by their attorneys and agents, and make a written certificate of the results, which certificates shall be signed by all the members of Council present at the meeting and shall be attested by the City Clerk. The Council shall also cause such certificate to be published in a daily newspaper of general circulation on third day following the day of the regular election.

The candidates receiving the highest number of votes for each office to be filled shall be declared elected to such offices. Ties shall be determined by lot at a public meeting of Council, at which the tying candidates shall be entitled to be present.

SECTION 4. POLLING PLACES; ELECTION BOARDS.

At each City election, there shall be three precincts, or more, if Council deems necessary, in each ward, and each precinct shall have a polling place, selected by Council, which shall be as centrally located as possible and of sufficient size to accommodate the registered voters in the precinct. There shall be a five (5) member election board for each precinct, who shall be appointed by Council, and each of whom shall receive a fee of thirty five dollars ($35.00) for each election, to be paid by the City. In addition, at any City election, any three candidates for Council and any candidate for Mayor, who shall file a written designation with the City Clerk at least ten days before the election date, shall be entitled to designate one person for each polling place to act as watcher or challenger. Any person so designated may be compensated by the candidate or candidates designating him at a rate not to exceed twenty-five dollars ($25.00) and shall have all the rights, powers and privileges provided for watchers and challengers by the general law of the State, and shall be entitled to remain in the polling place until the ballots have been counted and the ballot boxes have been sealed and taken into custody by the election board. After the ballots shall have been counted, the election board shall place them in the ballot box, which shall be sealed and delivered to the City Clerk. The ballots for a primary election shall be preserved by the City Clerk until the next succeeding primary election, and ballots for a regular election shall be preserved by him until the next succeeding regular election.
(Ord. 829. Passed 4-21-87.)

ARTICLE IX
EFFECTIVE DATE

SECTION 1. EXCEPTIONS; CONTINUATION OF OFFICES.

All the provisions of this revised Charter shall become in force and effect upon the adoption of the Charter by majority vote of the people of the City of Weirton at an election called for said purpose by ordinance and resolution of the Council. Excepting, that those provisions in this revised Charter pertaining to the changing of the Wards, from five to seven and the number of Councilmen to be increased from five to seven shall not become into force and effect until the first day of April, 1951, so that the necessary Councilmen can legally be nominated and elected for the designated seven wards.

All officers elected under the present Charter shall continue in office until July 1, 1951, or until their successors are legally elected and qualified, and they shall exercise all the powers conferred upon them by the Charter and general law.
(EDITOR'S NOTE: "Present Charter" as used in the above section refers to the 1925 Charter of the City of Holliday's Cove, as amended.)

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Dean M. Harris, who being by me first duly sworn, according to law, deposes and says:

"My name is Dean M. Harris, and I have been duly, regularly and properly elected to the office of Mayor, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

Dean M. Harris,
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. DeBaltzo

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Melissa-Anderson who being by me first duly sworn, according to law, deposes and says:

"My name is Melissa Anderson, and I have been duly, regularly and properly appointed to the office of City Clerk, of the City of Weirton, West Virginia.

"I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

"I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was appointed to the best of my skill and judgment,so help me God."

And further affiant saith not.

Melissa Anderson
AFFIANT

Taken, subscribed and sworn to before me this 25th day of March, 19 98.

Jean M. Harris
MAYOR OF THE CITY OF WEIRTON, WV

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Vincent J. Azzarello who being by me first duly sworn, according to law, deposes and says:

"My name is Vincent J. Azzarello, and I have been duly, regularly and properly appointed to the office of City Manager, of the City of Weirton, West Virginia.

"I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

"I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was appointed to the best of my skill and judgment,so help me God."

And further affiant saith not.

Vincent J. Azzarello
AFFIANT

Taken, subscribed and sworn to before me this 12th day of August, 19 91.

Edwin J. Bauman
MAYOR OF THE CITY OF WEIRTON, WV

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Steve Dorich, who being by me first duly sworn, according to law, deposes and says:

"My name is Steve Dorich, and I have been duly, regularly and properly elected to the office of Ward I Councilman, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

Steve J. Dorich
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. D. Bartolomo

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, D. J. Minella, who being by me first duly sworn, according to law, deposes and says:

"My name is D. J. Minella, and I have been duly, regularly and properly elected to the office of Ward II Councilman, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

D. J. Minella
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. Battistone

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Ed Powell, who being by me first duly sworn, according to law, deposes and says:

"My name is Ed Powell, and I have been duly, regularly and properly elected to the office of Ward III Councilman, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

E. D. Powell
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. D. Baitskow

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, George E. Ash, Sr., who being by me first duly sworn, according to law, deposes and says:

"My name is George E. Ash, Sr., and I have been duly, regularly and properly elected to the office of Councilperson, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

George E. Ash Sr.
AFFIANT

Taken, subscribed and sworn to before me this 20th day of June, 19 91.

William J. Belgrumy

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, George Kondik, who being by me first duly sworn, according to law, deposes and says:

"My name is George Kondik, and I have been duly, regularly and properly elected to the office of Ward V Councilman, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

George Kondik
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. D. Bartholow

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Tim Reinard, who being by me first duly sworn, according to law, deposes and says:

"My name is Tim Reinard, and I have been duly, regularly and properly elected to the office of Ward VI Councilman, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

Timothy A. Reinard
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. D. Battistone

OATH OF OFFICE

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

This day personally appeared before the undersigned authority, Mark Kaczmarek, who being by me first duly sworn, according to law, deposes and says:

"My name is Mark Kaczmarek, and I have been duly, regularly and properly elected to the office of Ward VII Councilman, of the City of Weirton, West Virginia.

I possess, respectively, the qualifications prescribed by the Charter of the City of Weirton to hold such office and am not subject to any of the disqualifications prescribed in such Charter, aforesaid.

I will support the Constitution of the United States, the Constitution of the State of West Virginia, the Ordinances of the City of Weirton, and I will honestly discharge the duties of the said office to which I was elected to the best of my skill and judgement, so help me God."

And further affiant saith not.

Mark A Kaczmarek
AFFIANT

Taken, subscribed and sworn to before me this 30th day of June, 19 95.

Joseph B. D. Bartolomo

ORDINANCE # 1143 (96-026)

AN ORDINANCE ESTABLISHING REVISED JUST AND EQUITABLE RATES AND CHARGES FOR THE USE OF AND THE SERVICES RENDERED BY THE MUNICIPAL WATERWORKS SYSTEM OF THE CITY OF WEIRTON, WEST VIRGINIA

WHEREAS, the City of Weirton, West Virginia, presently owns and operates its own municipal waterworks system and in that connection said City presently has outstanding Waterworks Revenue Bonds, Series 1964, dated March 1, 1964; Water Revenue Bonds, Series 1991-A, dated May 23, 1991; and Water Revenue Bonds, Series 1991-B, dated May 23, 1991; and

WHEREAS, it is deemed advisable and necessary that the present rates and charges for the use of and the services rendered by the municipal waterworks system of said City be increased in order that the City may construct, maintain, and operate a sludge dewatering facility at the Weirton Water Treatment Plant on Birch Drive, Weirton, West Virginia, and that provision now be made for establishing revised just and equitable rates and charges for the use of the services rendered by said system, such rates and charges to be sufficient to provide for the payments of both principal and interest on all the bonds now outstanding to provide proper funds for a depreciation account and operation and maintenance charges of said system.

NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF WEIRTON, BROOKE AND HANCOCK COUNTIES, WEST VIRGINIA, as follows:

Section 1. That there are hereby established the following revised rates and charges for the use of and the services rendered by the municipal waterworks system of the City of Weirton, West Virginia:

First 10,000 gallons per month -- $3.86 per thousand gallons of consumption.
All consumption over 10,000 gallons per month -- $3.43 per thousand gallons of consumption.

Minimum Charges:

5/8 inch meter --	6.43
3/4 inch meter --	10.28
1 inch meter --	16.71
1 1/2 inch meter --	32.13
2 inch meter --	51.41
3 inch meter --	96.39
4 inch meter --	160.65
6 inch meter --	321.30
8 inch meter --	514.08
10 inch meter --	720.00

Monthly or Bi-Monthly Billing:

The above rates and charges may be adjusted to a monthly or bi-monthly basis, providing no lower charges.

Reconnection Charge:

All statements shall be rendered monthly to the party owing same and shall be due as of the date of rendition and shall be payable in cash or its equivalent; and if any statement remains unpaid for thirty (30) days after the date thereof, all water services to the party owing same shall be then disconnected or shut off and shall not be again connected or resumed until the amount shown by the statement and a reconnection charge of $15.00 are paid in full.

Meter Service, Connect and Disconnect Fee:

A service fee of $15.00 will be charged for each separate meter connect and disconnect after the original meter installation. However, in the event of a change of residence in which a connection immediately follows a disconnect the customer shall be charged only one service fee of $15.00.

After Hours Service Fee:

A service fee of $15.00 will be charged for each separate service call after regular working hours and holidays.

New Service Connection Charge:

The charge for a service connection will be $250 for both 5/8 inch and 3/4 inch meters. The charge for service connection for meters 1 inch or greater will be the cost of labor, material, machine hire and overhead. If water connection is installed by an outside contractor, then the amount of the contract is the charge.

Section 2. No free service shall be furnished, and all future connections to the waterworks shall be on a metered basis only.

Section 3. That the foregoing rates and charges shall only be put into effect for water actually furnished upon substantial completion of the sludge dewatering facility.

Section 4. That the foregoing schedule of rates and charges shall be subject to change and readjustment from time to time so that the revenues from the municipal waterworks system of said City will be sufficient in each year for the payment of the principal and interest on all revenue bonds hereinbefore issued or as many be hereinafter issued as and when the same become due and for the payment of the operation and maintenance of said system and to provide proper funds for a depreciation account.

Section 5. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this ordinance are, to the extent of such conflict, hereby repealed.

Section 6. That this ordinance having been introduced at a Special Meeting of the Common Council on June 28, 1996, shall become effective upon substantial completion of the sludge dewatering facility.

First Reading: June 28, 1996

Publication Date: July 1, 1996

Second Reading: July 5, 1996

Dean M. Harris
Mayor

ATTEST:

City Clerk

Weirton City Council
Special Session June 28, 1996

A Special Session of the Common Council of the City of Weirton, Brooke and Hancock Counties, West Virginia, was held on Friday, June 28, 1996 at 5:00 in the Weirton City Building Council Chambers, with Mayor Dean M. Harris presiding.

Council members answering roll call included George Ash, Tim Reinard, Steve Dorich, Ed Powell, George Kondik, D.J. Minella, and Mark Kaczmarek.

City officials in attendance included Vince Azzarello, A.D. Mastrantoni, Ken Capozzoli, Jeff Pierce, Michael Petteway, and Will Turani.

Mayor Harris led the Pledge of Allegiance.

Mayor Harris asked for a motion to allow for the publics comment and it was made by Council member Ash and second by Council member Powell. This was passed and so ordered.

Mayor Harris stated that the city is under a mandate by the Justice Department and there is a time frame with that mandate to build this facility and in order to fall within this time frame the rate increase must be put in place. This is not something that council wants, but something that has to be done.

Council member Ash stated that the city was going to be fined $570,000 if they did not do something soon and an additional $25,000 a day, dating back to 1972. He also added that the previous council was faced with this same increase and passed it so that they could put money into this fund, but now there is not much of a choice. He, along with the rest of council, is not happy with this increase and he feels the public should be aware of this.

✓ First Reading of Ordinance
Water Rate Increase

It was regularly moved by Council member Ash and duly seconded by Council member Reinard to approve the water rate increase. This passed unanimously.

Mayor Harris commented that if this passes, it will be sending a message to the EPA saying that the city is definitely going to do what has been asked of it.

Council member Powell stated that this has been talked about since 1971 and it has come down to the fact that nothing has been done until this point in time. He also stated that the EPA wanted council to try to take three or four months off of the November-December 1997 date, but regulations did not allow this. He concluded by saying that the rate increased will not take affect until January 1998.

Council member Kondik said that he believes that the previous council should be held responsible for this decision and that this is one of the finer councils, because everyone is working one hundred percent for the city, and it's at shame that it had to come tho this.

Adjournment

With no further business before this June 28, 1996 Special Session of the Weirton City Council, the meeting was adjourned.

Weirton City Council
Special Session July 5,1996

A Special Session of the Common Council of the City of Weirton, Brooke and Hancock Counties, West Virginia, was held on Friday, July 5, 1996 at 5:00 p.m. in the Weirton City Building Council Chambers, with Mayor Dean M. Harris presiding.

Council members answering role call included George Ash, Tim Reinard, Steve Dorich, Ed Powell, D.J. Minella, and Mark Kaczmarek.

City officials included A.D. Mastrantoni, Vince Azzarello, Jeff Pierce, Ken Cappazolli, Michael Petteway, and Tom Koumaros.

Mayor Harris led the Pledge of Allegiance.

Mrs. Chester ? Said that her meter had not been read since last November, and this would not happen if the city would hire another reader. She wants the city to know that most elderly people cannot afford to put all of their money into water bills.

Mayor Harris said that he will look into her problem because the meter readers are out there and hers should have been read.

Leonard Solarno 147 Scenic Dr. stated that he was speaking in behalf of the elderly people. He wants to know how can the city come up with water rates by using sewage. Mayor Harris stated that the term sludge has been confusing people. He and Mr. Mastrantoni explained that sludge is what the city takes out of river water to make it drinking water. They also stated that the city WAS confronted with this in 1972 after passage of the Clean Water Act and knew that the funds for this facility had to be raised. In 1994, council decided to raise these funds through a 13% increase in water rates. So instead of doing it all at once, they passed a 6% increase (money in escrow), which left 7% and is now an 8% increase due to inflation. Mr. Solarno stated that, people say that it's not much, but a nickel here and there adds up to someone on a fixed income. He also stated that he hoped that the city has some plans in the future to help out the elderly and that if he could help in anyway, give him a call.

George Veliga 125 Fairway said that he is not against the rate increase but wants to know is there a better way, such as having a lesser raise now and investing. Mr. Azzarello said that the city cannot raise the rates until the project is complete.

Council member Ash commented that an idea was brought to him by Mrs. Phillis DeMassis in which the city would put separate meters into apartments, duplexes, and houses with apartments.

Mr. Azzarello stated that the water department is aware of this and is in the process of a meter replacement program which will allow one meter for every entity (apartment), as opposed to one meter for the entire building.

John Moore 137 Hindman Lane wants to know how much money the city has in escrow and agreed that the meter replacement program is very much needed. He also asked was city making an effort to collect on delinquent accounts. Mr. Azzarello stated at the present time the city has a person who works on delinquents and business license in the finance department, and presently he is working on separating the two. The city has historically been less than 5% on delinquent accounts.

Mr. Moore also question is there a deposit requirement, and Butch stated that this is not legal.

Mr. Solerno asked why is there a minimum charge for people who do not use the minimum amount of water. Mr. Azzarello stated that this cost is associated with putting the water to the point of service.

Council member Ash questioned wasn't there something created for people who go on vacation two or three months a year. Mr. Azzarello stated that the Snowbird Ordinance, where a customer fills out a form, allows them to leave their water on, but will not receive a bill for six months. After this time is up, the billing will continue. This program was designed for those who leave for the winter months.

Mr. Moore asked was any money used out of the escrow account. Mayor Harris stated that money was used one tome in order to settle some litigation. Council member Ash commented that the money for this facility cannot be used for anything else.

Clifford Landy questioned how much was used and how much was left. Mr. Azzarello said that $243,000 was left and $105,000 was used on litigation.

Council member Powell added that $200,000 of this money is from the general fund and that was the money used for litigation although it was all in the same account.

✓

SECOND READING OF ORDINANCE
WATER RATE INCREASE

It was regularly moved by Council member Ash and duly second by Council member Reinard. No question to the motion, roll call vote taken, a yes vote means in favor, no not in favor results were as follows:

Council member Reinard	Yes
Council member Kaczmarek	Yes
Council member Dorich	Yes
Council member Minella	Yes
Council member Powell	Yes
Council member Ash	Yes

This passed unanimously and so ordered.

Council member Reinard read a letter from Council member Kondik stating his support of this decision.

With no further business before this July 5,1996 Special Session of the Weirton City Council, the meeting was adjourned.

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

I, Nancy Kaufmann . . . . .for the publisher of THE DAILY TIMES, a newspaper in the city of Weirton, State of West Virginia, here certify that the annexed publication was inserted in said newspaper on the following dates:

.....July 2, 1996 Ordinance 1143
.....
.....
Commencing of this 2nd day of ...July.....1996

given under my hand this 3rd day of .April.....1998

Amy L Gilton, Bookkeeper

Sworn to and subscribed before me this ...3rd....day of.....
....April..... 1998.

Nancy Kaufmann

of, in and for HANCOCK COUNTY, WEST VIGIINIA
My commission expires:

NOTARIAL SEAL STATE OF OHIO

NANCY KAUFMANN
Notary Public, State of Ohio
My Commission Expires June 9, 2002

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6-4,11,18,25;
7-2, 1996 Adv.

BLIC NOTICE
Bef the
Environmental
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Public Hearing
for Ohio Admini-
e Code Rules
01, 3745-352-05,
10, 3745-352-15,
20, 3745-352-25;

nance plan when a facility temporarily ceases regulated operations for more than 365 days. Section 3745-352-30 describes the minimum standards for facilities that temporarily cease regulated operations for less than 365 consecutive days.

The public hearing, for this proposed rulemaking, will be held from 1:00 p.m. - 3:00 p.m. on Friday, August 02, 1996, to consider public comments. The hearing will be held in the Hazardous Waste Facility Board Administrative Conference Room at the Ohio EPA, at 1700 WaterMark Drive (telephone number 614-644-2742) in accordance with the requirements of sections 119.01 through 119.04 of the Ohio Revised Code.

To ease scheduling oral presentations, persons intending to testify at the hearing should ensure that the Ohio Environmental Protection Agency receives notice of intent by the close of business Wednesday, July 31, 1996. Persons who provide the Ohio EPA prior notice will be heard ahead of persons who do not register until the hearing. A presiding officer will be present until all parties are heard.

All interested persons are entitled to attend or be represented and present oral and/or written comments on the proposed rulemaking. All oral comments presented at the hearing, and all written comments submitted at the meeting or by the close of business on Friday, August, 9, 1996, will be considered by the Ohio Environmental Protection Agency before final action of this rulemaking proposal. Written comments received after Friday, August 9, 1996, may not be considered, as time and circumstances allow.

To provide notice of the intent to give comments, and/or to obtain a copy of the proposed rules, please contact David R. Jancuk, CRO State Coordinator, Ohio Environmental Protection Agency, 1800 WaterMark Drive, Columbus, Ohio 43215 (telephone number 614-728-5257). Written comments on the proposed rulemaking may be submitted to David R. Jancuk or to the presiding officer during the public hearing.

7-2, 1996 Adv.

SHERIFF'S SALE OF REAL ESTATE. THE STATE OF OHIO, JEFFERSON COUNTY. MONDRIAN MORTGAGE CORPORATION C/O TRANSWORLD MORTGAGE CORPORATION, PLAINTIFF VS. MARLENE MOLBROUGH, ET AL, DEFENDANT. NO. 96CV9.

In pursuance of an Order of Sale issued April 11, 1996, in the above entitled action, I will offer for sale at public auction on the 9th day of July, 1996, at 6:00 o'clock P.M., a public hearing will be held on the Budget prepared by the Knox Township Trustees of Jefferson County Ohio, for the next succeeding fiscal year ending December 31st, 1997.

Such hearing will be held at the office of the Toronto Municipal Building, North Fifth Street, Toronto, Ohio 43964

Lois V. Johnston
Knox Township Clerk

7-2, 1996 Adv.

PUBLIC NOTICE

The first reading of the following ordinance was held at a special meeting of Weirton City Council on Friday, June 28, 1996. The second reading of the ordinance is scheduled to be held on Friday, July 5, 1996, at 5:00 p.m. in City Council Chambers, 200 Municipal Plaza, Weirton, West Virginia 26062, at a special meeting of Council.

"Ordinance No. 1143 (96-026). An Ordinance Establishing Revised Just and Equitable Rates and Charges for the Use of and the Services Rendered by the Municipal Waterworks System of the City of Weirton, West Virginia"

Vincent J. Azzarello
City Manager

7-2, 1996 Adv.

URGENT NECESSITY NOTICE TO BIDDERS

Sealed proposals for the Urgent Necessity Roof Renovation Project for S.C. Dennis Elementary School will be received by the Toronto City School District Board of Education, at the Office of the Treasurer, Third and Myers Street, Toronto, Ohio 43964 until 12:00 Noon on July 9, 1996. The proposal shall be in accordance with the plans and specifications prepared by GPD Associates, Engineers, Architects and Planners, 5230 South Main Street, Suite 2531, Akron, Ohio 44311-1010 and on file in the office of the Treasure of the Toronto City School District Board of Education.

Copies of plans, specifications and proposal blanks, together with any additional information desired, may be secured from the office of the Architect-Engineer. A total fee of $25.00 will be required for the bid documents.

Each proposal must contain the full name or names of the party or parties making same and of all persons interested therein. Each proposal must be accompanied by a properly executed bid bond or by a certified or cashier's check on a solvent bank and be made payable to Treasurer, Toronto City School District Board of Education, in an amount of equal to not less than ten percent (10%) of the total amount of the bid, accompanied with a Consent or Surety. The bid

County of Jefferson and State of Ohio, and in the Township of Saline to-wit:

Situated in the Township of Saline, County of Jefferson and State of Ohio:

Known as and being a part of Section 24, Township No. 8 and Range No. 2. Also being a part of a two (2) Acre Tract owned by Harry Springer, et ux., recorded in Volume 224, at page 529 of the Records of Deeds of Jefferson County, Ohio.

Beginning at an iron pin found in a fence line at the southeast corner of the Grantors' Two (2) Acre Tract, said beginning point bears South 76 deg. 15' West 74 feet from an iron pin found at the Northeast corner of a 1.66 Acre Tract owned by george Wallace, et ux., Volume 518, page 353.

Thence from said place of beginning and with the Grantor's East line, North 13 deg. 45' West 237 feet to an iron pin, thence thru the Grantor's Lands and along the center of driveway, South 55 deg. 25' 02" West 314.95 feet to a P.K. Nail in State Route No. 213, from which an Iron Pin bears North 55 deg. 26' 08" East 20.24 feet, thence with the State Road South 13 deg. 00' East 125 feet to the Grantors' Southwest corner. Thence with fence line and a line common to George Wallace, North 76 deg. 15' East 296 feet to an Iron Pin and passing on the line an Iron Pin at plus 34 feet, containing 1.226 Acres, more or less, but subject to all legal highways.

Said Premises Located at R.D. #1, Route 213, Toronto, Ohio

Said Premises Appraised at Ten Thousand Eight Hundred and no/100 ($10,800.00) and cannot be sold for less than two-thirds of the amount.

TERMS OF SALE: CASH upon delivery of deed.

Fred J. Abdalla, Sheriff
Paula Welch, Deputy
Frank Steel, Attorney
Jefferson County, OH

7-2,9,16,23,30, 1996 Adv.

SHERIFF'S SALE OF REAL ESTATE. THE STATE OF OHIO, JEFFERSON COUNTY. MAGNOLIA FEDERAL BANK FOR SAVINGS, PLAINTIFF VS. ROBERT C. BELL, ET AL, DEFENDANT. NO. 95-CIV-102.

In pursuance of an Alias Order of Sale issued June 13, 1996, in the above entitled action, I will offer for sale at public auction, inside the front door of the Court house facing Market Street, in Steubenville, in the above named County, on Tuesday the 30th day of July, 1996, at 2:10 o'clock P.M., the following described real estate, situate in the County of Jefferson and State

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A Regular Session of the Common Council of the City of Weirton, Brooke and Hancock Counties, West Virginia, was held on May 12, 1997 at 7:00 P.M. in the Weirton City Building Council Chambers, with the Honorable Mayor Dean M. Harris presiding.

Council members in attendance were Tim Reinard, George Kondik, D.J. Minella, Mark Kaczmarek, Steve Dorich, and Ed Powell.

City officials included Vince Azzarello, Michael Petteway, Valerie Means, A.D. Mastrantoni, Chuck Svokas, Joe DiBartolomeo, Chief Cole, Chief Hicks, Chris Fletcher, Rodney Rosnick, Ken Cappozzoli, and Tom Koumaros.

Mayor Harris led the Pledge of Allegiance.

MINUTES

A motion was regularly made by Councilmember Kaczmarek and duly second by Councilmember Kondik to authorize the minutes from April 7, 1997 Regular Session, April 15, 1997 Special Session, and April 28, 1997 Special Session. This passed unanimously and was so ordered.

COMMUNICATIONS

Mr. Azzarello advised that he and Ms. Means attended the Weirton Transit Authority Meeting; they discussed the payback for in-kind services. Ms. Means has met with the Transit Board members and has reviewed the costs. Transit will be able to make an additional drawdown of funds for their needs; therefore, they will not need to ask Council for additional funds. Mr. Azzarello advised that Transit will continue to be monitored, and he will report to Council again on this next month. Mr. Azzarello also stated that he is looking towards hiring a City planner; part of this job would be administering the FTA grant.

Mayor Harris welcomed Jenny Anderson and Craig Buress from his leadership America Class.

CITIZENS COMMENTS

Jerry Shumate, on behalf of the Fire Fighters, stated that there may have been a misunderstanding with the packages that were presented during negotiations. He then presented packets to the Mayor and Council containing the information that was discussed at the negotiations. He stated that as the ordinance stands the Fire Fighters will lose 3% of what they negotiated for over a ten year period.

He stated that they were concerned with a pay increase based on the Consumer Price Index, receiving insurance coverage for the retired Fire Fighters, and to get a pay adjustment base for the Fire Fighters who are also EMS providers to the first responder program. He then reviewed the proposals and responses within the packets that were discussed during negotiations. He stated that 4% and 4% are lower than what they expected, and asked that it be changed to 6% and 4%, which the Fire Fighters and the City Manager felt were reasonable.

Joe Stankiewicz, on behalf of the Volunteers, presented a letter agreeing with most of the Consultants findings. The letter also mentioned the need for a contract between the City and the Volunteers and their willingness to cooperate (including turning their training records over).

OLD BUSINESS

Ordinance 1171 - Second Reading

A motion was regularly made by Councilmember Minella and duly second by Councilmember Dorich to authorize an ordinance at second reading establishing zoning changes from residential to commercial (Weirton Geriatric Center). This passed 5-0 with Councilmember Reinard abstaining.

Ordinance 1172 - Second Reading

Mr. Azzarello stated that last months amendment has been made. A motion was regularly made by Councilmember Powell and duly second by Councilmember Kaczmarek to authorize an ordinance at second reading amending Article 351.11 (A) and (B) of the Codified Ordinance of the City of Weirton (changes in fixed fines for certain parking violations). This passed unanimously and was so ordered.

NEW BUSINESS

Resolution - Approving Defeasance of Revenue Bonds, Purchase of Treasury Obligations, and Approving Escrow Agreement and Agent in Connection Therewith

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Powell to authorize a resolution approving and providing for the defeasance of the Waterworks Revenue Bonds, series 1964, dated March 1, 1964, of the City of Weirton; approving the purchase of certain United States Treasury obligations; approving an Escrow agreement and designating an Escrow Agent in connection therewith. This passed unanimously and was so ordered.

Resolution - Water Revenue Bond Series 1997 A

A motion was regularly made by Councilmember Powell and duly second by Councilmember Kondik to authorize an ordinance authorizing Water Revenue Bond series 1997A (West Virginia SRF Program). This passed unanimously and was so ordered.

Ordinance - Establishing Salaries (General Fund)

A motion was regularly made by Councilmember Minella and duly second by Councilmember Reinard to authorize an ordinance establishing salaries of Municipal Employees of the various department within the City of Weirton General Fund. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes

This passed unanimously and was so ordered.

Ordinance - Establishing Salaries (Police Department)

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Powell to authorize an ordinance establishing salaries of Municipal Employees of the various department within the City of Police Department. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Kondik	Yes

This passed unanimously and was so ordered.

Ordinance - Establishing Salaries (Fire Department)

Councilmember Minella asked that the City Manager respond to the Fire Fighters request. Mr. Azzarello stated that Mr. Shumans remarks were accurate, the only exception being his ability to authorize a percentage outside of what the contract stated. He then stated that this may have caused some miscommunication. He then restated the original proposal that was presented by Council. Mayor Harris and Councilmember Minella questioned if the ordinance could be amended after the first reading. Mr. Azzarello informed that although the percentages are not stated within the ordinance, the figures do reflect them. Mayor Harris and Mr. DiBartolomeo agreed that any changes should be made before the first reading. Councilmember Powell then made a motion to table this item so that Mr. Azzarello and the Fire Fighters could enter into negotiations again, this was duly second by Councilmember Minella. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Kondik	Yes
Councilmember Reinard	Yes

This passed unanimously and was so ordered.

Councilmember Reinard questioned if the hours per week recommended by RDM were part of the discussions. Mr. Azzarello stated that this had been mentioned but was not part of the agreement.

Ordinance - Establishing Salaries (Water Department)

Mr. Azzarello commented on the structure of the raises. He stated that employees are eligible for increment raises within a range and that range is phased in over an eighteen to twenty-four month period. He concluded by stating that these raises are based on successful evaluations. A motion was regularly made by Councilmember Minella and duly second by Councilmember Kondik to authorize an ordinance establishing Salaries of Municipal Employees of the various departments within the City of Weirton Water Department. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes

This passed unanimously and was so ordered.

Ordinance - Amending Article 7 Section 702, 703, and 707

A motion was regularly made by Councilmember Powell and duly second by Councilmember Minella to authorize an ordinance amending article 7 Section 702 Establishment of Zoning Districts, Section 703 Basic Zoning Districts, and Section 707 Definitions of the Zoning and Land use regulations of the City of Weirton. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Kondik	Yes
Councilmember Reinard	No
Councilmember Kaczmarek	No
Councilmember Dorich	No

The votes being tied, Mayor Harris cast a yes vote passing this ordinance 4-3.

Ordinance - Amending Article 3 Sections 703, 704, and 705

A motion was made by Councilmember Reinard to table this item. This was duly second by Councilmember Dorich. Councilmember Powell questioned the tabling of this item. Councilmember Reinard stated that he would like to talk with those who showed some concern. Councilmember Powell stated that they have already been through this process. Mayor Harris stated that this has been something that has gone back and forth to the Planning Commission and they have graciously separated the nude dancing ordinance. He then stated that if the developers had attended the Planning Commissions meeting, their concerns could have been taken into consideration. This passed 4-2 with no votes being cast by Councilmember Powell and Kaczmarek and was so ordered.

Resolution - Revision to 1996-97 Coal Severance and General Fund Budgets

Mr. Azzarello informed that this was reviewed by the Finance Committee. He then pointed out that the General Fund balance has been reduced due to the State not awarding the audit until January. He stated that the City has just received its audit, and the audit adjustment reduced the fund balance by $123,000 which was in July of 1996. A motion to authorize a resolution revising the 1996-97 Coal Severance and General Fund Budgets was regularly made by Councilmember Reinard and duly second by Councilmember Kaczmarek. This passed unanimously and was so ordered.

Resolution - Approving 1997 CDBG Budget

Councilmember Reinard asked can this be amended. Mr. Azzarello informed that Bob Wirgau could not be present at the meeting and directed the question to Chris Fletcher. Mr. Fletcher stated that he had been informed by Mr. Wirgau that this can be amended. A motion was regularly made by Councilmember Powell to authorize a resolution approving the 1997 CDBG budget, it was duly second by Councilmember Reinard. This passed unanimously.

Councilmember Reinard made a motion to amend the CDBG budget and remove $50,000 from the Buy, Rehab, Resale Program and deposit it into the Down payment Assistance Program. This was duly second by Councilmember Minella. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Powell	Yes
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	Yes

This amendment passed unanimously and was so ordered.

A roll call vote was taken to authorize the 1997 CDBG Budget as amended. A roll call vote was taken. A yes is in favor, a no is not, the results were as follows:

Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	No
Councilmember Dorich	No
Councilmember Minella	Yes
Councilmember Powell	Yes

This passed on a 4-2 vote with Councilmember Kaczmarek and Councilmember Dorich casting no votes.

Resolution - Purchase Back-Up Generator for Water Treatment Plant

Mr. Azzarello asked that these funds be taken from the General Fund because removing them from the Water Department could negatively affect the City's ability to obtain funds for the

Sludge Dewatering Facility. A motion was regularly made by Councilmember Minella and duly second by Councilmember Powell to authorize a resolution to enter into an agreement to purchase a back-up generator for the Water Treatment Plant. Councilmember Kaczmarek questioned if it was a generator that had previously gone out. Mr. Mastrantoni informed that it was a transformer that went out and there was no an alternative source of power. Councilmember Reinard questioned if this will be large enough. Mr. Mastrantoni stated that the Water Department has used this generator on two separate occasions. Bob Walker reassured that this particular generator has enough power. This passed unanimously and was so ordered.

Resolution - Agreement for Penco Tank Inspection Services

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Kaczmarek to authorize a resolution to enter into an agreement for Penco Tank Inspection Services. This passed unanimously and was so ordered.

Resolution - Agreement to Purchase Computer Equipment

A motion was regularly made by Councilmember Minella and duly second by Councilmember Dorich to authorize a resolution to enter into an agreement to purchase computer equipment. This passed unanimously and was so ordered.

Resolution - Agreement for 1997 Fireworks Display

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Powell to authorize a resolution to enter into an agreement for 1997 Fireworks Display. This passed unanimously and was so ordered.

Resolution - Agreement to Purchase City Employee Uniforms

Mr. Azzarello stated that this will not affect the Fire Fighters Uniforms. A motion was regularly made by Councilmember Dorich and duly second by Councilmember Reinard to authorize a resolution to enter into an agreement to purchase City Employee uniforms. This passed unanimously and was so ordered.

Resolution - Agreement to Purchase Brass Plumbing Upgrade for Engine No. 4 of the Weirton Fire Department

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Minella to authorize a resolution to enter into an agreement to purchase brass plumbing upgrade for Engine No. 4 of the Weirton Fire Department. This passed unanimously and was so ordered.

Resolution - Northern Panhandle Home Consortium

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Dorich to authorize a resolution of the Common Council of the City of Weirton authorizing participation in the Northern Panhandle Home Consortium for the period of July 1, 1997 to June 30, 1998, and approval of the Action Plan for the Home Consortium. This passed unanimously and was so ordered.

ADMINISTRATIVE REPORTS

Public Works

Councilmember Minella stated that he had several complaints on the grass pick-up and odor of the cans. He then questioned if it is possible to have citizens put the grass into garbage bags and have the garbage men cut the bags open, empty them, and throw the bags into a separate container. Mr Azzarello stated that it would be less time consuming and expensive if the containers are utilized. Mayor Harris stated that this is an ongoing issue that can be better addressed by the homeowners.

Mayor Harris questioned the status of Dave Barret. Mr. Brown informed that he has not returned

to work nor has he called in.

Treasurer's Report

A motion was made by Councilmember Dorich and duly second by Councilmember Powell to accept the Treasures's Report and Community Development Report, and to pay the Water Department and the General Fund bills. This passed unanimously and was so ordered.

EXECUTIVE SESSION

A motion to convene into Executive Session in accordance with WV State Code 6-9-A-4 (9), to discuss personnel matters was made by Councilmember Minella and duly second by Councilmember Reinard. This passed unanimously and was so ordered.

APPOINTMENTS

Mayor Harris called the meeting to order at 8:30 p.m. A motion was made by Councilmember Minella and duly second by Councilmember Dorich to reappoint Jim Davis, 105 Terry Court, Weirton to the Housing Authority for the term 4/7/97 to 5/30/2000. This passed unanimously and was so ordered.

A motion was made by Councilmember Reinard and duly second by Councilmember Kondik to appoint Jackie Vacheresse, Weirton, to the Beautification Commission to complete the unexpired term of Nicole Suka until 7/31/98. This passed unanimously and was so ordered.

A motion was made by Councilmember Dorich and duly second by Councilmember Kaczmarek to appoint Nancy Scott, Weirton, to the Beautification Commission to complete the unexpired term of Billy Davis until 7/31/98. This passed unanimously and was so ordered.

A motion was made by Councilmember Dorich and duly second by Councilmember Reinard to appoint Kim Carfagna, 120 Lexington Court, Weirton, to the Planning Commission to complete the unexpired term of Ray Gajtka until 3/30/99.

ADJOURNMENT

With no further business before this May 12, 1997 Regular Session of the Weirton City Council, the meeting was adjourned.

Weirton City Council
Special Session

May 19, 1997

A Special Session of the Common Council of the City of Weirton, Brooke and Hancock Counties, West Virginia, was held on May 19, 1997 at 7:00 P.M. in the Weirton City Building Council Chambers, with the Honorable Mayor Dean M. Harris presiding.

Council members in attendance were George Ash, George Kondik, D.J. Minella, Mark Kaczmarek, Steve Dorich, and Ed Powell.

City officials included Vince Azzarello, Michael Petteway, Valerie Means, A.D. Mastrantoni, Chuck Svokas, Joe DiBartolomeo, John Brown, Jerry Dodson, Craig Churchill, and Tom Koumaros.

Mayor Harris led the Pledge of Allegiance.

CITIZENS COMMENTS

Mayor Harris called for a motion to allow Citizens Comments. It was so moved by Councilmember Ash and duly second by Councilmember Powell. This passed unanimously and was so ordered.

Craig Churchill, 155 Hindman Lane representing the Fire Fighters, thanked Council for initiating the meeting with the City Manager.

Dan Taylor, representing Jim Mousadis, in regards to the no parking zone in front of 259 Ritchie Avenue. He stated the reasons why the yellow line had been installed and the fact that Mr. Mousadis has made several attempts to have the line removed. He continued by stating the Mr. Mousadis has been economically hindered due to this line. He stated that the Traffic Commission has made this recommendation as a compromise and it will allow fifty feet of parking in front of the apartments. He added that this parking space will make it easier on his tenants and their guest. He stated that the main concern of opposing this removal is for emergency vehicle access. He informed that Mr. Mousadis has already requested a fire truck and sent it through this area. He added that in the case of a fire in the area chances are that emergency vehicles would not use this route.

Councilmember Ash asked when the apartments were built. Mr. Taylor informed approximately 1989. Councilmember Ash then questioned if Mr. Mousadis had enough off street parking. Mr. Taylor informed that he does. He also informed that prior to the apartments being built, a single family dwelling was located in this lot without restricted parking. He stated that if this was a common practice throughout the City, this would not be a legitimate request. Mr. Taylor mentioned that the tenants are concerned with receiving tickets when loading and unloading. Councilmember Ash disagreed with this remark. He then requested and was presented with the ordinance establishing the no parking zone. Mr. Taylor informed that a neighbor of the apartment building has requested and received a recommendation for the removal of the line in front of her house.

Councilmember Kaczmarek questioned the distance of the request from the turn. Mr. Taylor informed forty six feet from the turn. Councilmember Kaczmarek stated that he would like to seed this item tabled, due to the fact that he was not notified of the fire truck being sent through the area. Mayor Harris asked if the Traffic Commission had been present. Mr. Taylor stated that this had previously been done and the Commission was not present. He once again assured that Mr. Mousadis has been patient and more than willing to compromise. He then added that this parking will make easier access for handicapped tenants or visitors to enter the building

OLD BUSINESS

Ordinance 1173 - Second Reading

A motion was made by Councilmember Ash and duly second by Councilmember Kaczmarek to authorize ordinance 1173 the acquisition of Water Revenue Bonds Series 1997A at second

reading This passed unanimous and was so ordered

Ordinance 1174 - Second Reading

Mr. Azzarello stated that the position of City Planner was mistakenly left out of the first reading although the position was approved by Council. Councilmember Ash questioned if including this position in the second reading is legal Mr. DiBartolomeo recommended that this position be read separately

Councilmember Ash then questioned how these raises are being paid. Mr. Azzarello stated that if the B & O does not pass or some other funding mechanism is not approved, Council will have to decide what budget cuts they would like to see made. Councilmember Ash questioned if these funds are currently in the budget. Mr. Azzarello stated that they are for Fiscal Year 1997-98. Councilmember Ash stated that he does not want to pass this and be forced into passing some other funding mechanism, such as service charges.

Mayor announced that Council will be voting on the ordinance as it passed at the first reading.

Councilmember Kaczmarek questioned how the percentages are used. Mr. Azzarello informed that they were used to project the ranges. He also informed that the ranges do not include the bargaining unit.

A motion was then made by Councilmember Minella and duly second by Councilmember Kondik to authorize ordinance 1174, an ordinance establishing salaries of Municipal Employees of the various departments within the City of Weirton General Fund. A roll call vote was taken. A yes is in favor, a no is not. The results were as follows:

Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Ash	No
Councilmember Kondik	Yes

This passed on a 5-1 vote, with a no vote cast by Councilmember Ash and was so ordered.

Ordinance 1175 - Second Reading

A motion was regularly made by Councilmember Powell and duly second by Councilmember Dorich to authorize Ordinance 1175, at second reading an ordinance establishing salaries of Municipal Employees of the various departments with the City of Weirton Police Department. This passed unanimously and was so ordered.

Ordinance 1176 - Second Reading

Mr. Azzarello stated that the Senior Crew Leader position will have to be removed due to the fact that it was not included with the first reading. A motion was regularly made by Councilmember Minella and duly second by Councilmember Dorich to authorize ordinance 1176 at second reading an ordinance establishing salaries of Municipal Employees of the various departments within the City of Weirton Water Department. This passed 5-1 with a no vote being cast by Councilmember Ash and was so ordered.

Ordinance - Establishing Salaries (Fire Department)

A motion to remove this item from the table was made by Councilmember Powell and duly second by Councilmember Ash This passed unanimously and was so ordered. A motion to authorize an ordinance establishing salaries of Municipal Employees of the various departments within the City of Weirton Fire Department was made by Councilmember Ash and duly second by Councilmember Powell This passed unanimously and was so ordered.

Councilmember Kondik asked for the guidelines on a moratorium. Mr. DiBartolomeo informed that it is a temporary relief and the City has used more than a reasonable amount of time. Councilmember Kondik asked when the moratorium expires. Mr. DiBartolomeo informed May 25. Councilmember Ash stated that Cathy Cihota informed him that it is in effect until something permanent is established. Mr. DiBartolomeo then stated that there is a limit to the amount of time one can be placed. Mayor Harris added that the moratorium was put into place to temporarily stop adult clubs from being established so that a Zoning Ordinance could be put in affect, but due to the length of time that has passed, the City is still vulnerable. Councilmember Kaczmarek asked if residents in Ward IV sold residential property to the city for the purpose of nude dancing, would it need to be rezoned. Mayor Harris stated that this would have to come before Council.

Councilmember Ash stated that prior to the meeting he had asked Councilmember Minella for his support and was informed that he had been contacted by Councilmember Reinard who asked him to support this ordinance, and Council could amend it and leave it where it is. He then stated that Councilmember Reinard was suppose to contact him on this issue, but he never received a call.

Mr. DiBartolomeo once again pointed out what is considered "reasonable time" may vary.

Councilmember Ash stated that this item would be dead if he was able to attend the last meeting, but should have been dead due to lack of a second at the previous meeting. He also stated that he believed that the ordinances were suppose to be split at the time and leave the nude dancing where it is currently located. He concluded by saying that he would still like to see the 1500 feet between establishments and 1000 feet from residential regulations applied, which was agreed upon at the Planning Commission last summer.

Councilmember Powell informed that he would rather have them in an industrial area than downtown, and is surprised to hear that the residents of Ward IV want it to stay. Councilmember Ash stated that the reasoning behind this request is the ability to limit the number of clubs. He then made a motion to table this until the Planning Commission makes the recommendation that was agreed upon last summer. This was duly second by Councilmember Kaczmarek, who then asked how can nude dancing be limited in the downtown area. A roll call vote was taken. A yes is in favor, a no is not. The results were as follows:

Councilmember Dorich	Yes
Councilmember Minella	No
Councilmember Powell	No
Councilmember Ash	Yes
Councilmember Kondik	No
Councilmember Kaczmarek	Yes

After a 3-3 tie, Mayor Harris denied this tabling with a no vote.

A motion was regularly made by Councilmember Minella and duly second by Councilmember Powell to authorize Ordinance 1165 at second reading amending Article 7, Section 702, 703, and 707. A roll call vote was taken. A yes is in favor, a no is not. The results were as follows:

Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Ash	No
Councilmember Kondik	Yes
Councilmember Kaczmarek	No
Councilmember Dorich	No

After a 3-3 tie, Mayor Harris cast a yes vote and the ordinance so passed

NEW BUSINESS

Resolution - Supporting the National Association of Letter Carriers

A motion was regularly made by Councilmember Ash and ultimately second by Council to authorize a resolution in support of the National Association of Letter Carriers This passed unanimously and was so ordered.

Resolution - Engage a Geographic Information Systems Consultant

A motion was regularly made by Councilmember Ash and duly second by Councilmember Kaczmarek to authorize a resolution to engage a Geographic Information Systems Consultant. This passed unanimously and was so ordered.

Resolution - Authorize Contribution to the City of Weirton's Fiftieth Anniversary Committee

A motion was regularly made by Councilmember Ash and duly second by Councilmember Powell to authorize a resolution authorizing contribution to the City of Weirton's Fiftieth Anniversary Committee. This passed unanimously and was so ordered.

TRAFFIC COMMISSION RECOMMENDATIONS(7)

Ordinance - No Parking on N. 21st Street

A motion was regularly made by Councilmember Minella and duly second by Councilmember Kaczmarek to remove the no parking at 123 N. 21st Street from the table. This passed unanimously. A motion was regularly made by Councilmember Ash to authorize an ordinance to establish no parking across from the driveway at 123 N. 21st Street this was duly second by Councilmember Dorich. A roll call vote was taken. A yes is in favor a no is not. The results were as follows:

Councilmember Powell	No
Councilmember Ash	Yes
Councilmember Kondik	No
Councilmember Kaczmarek	No
Councilmember Dorich	Yes
Councilmember Minella	No

This Ordinance failed by a 4-3 vote.

Ordinance - Stop sign on Avenue A

Councilmember Dorich questioned which direction. Mr. Petteway informed traveling West on Avenue A. A motion was regularly made by Councilmember Dorich and duly second by Councilmember Ash to authorize an ordinance establishing a stop sign on Avenue A. This passed unanimously and was so ordered.

Ordinance - Establishing a Stop Sign on Beverly at Ingram Avenue

A motion was regularly made by Councilmember Ash and duly second by Councilmember Powell authorizing an ordinance establishing a stop sign on Beverly Avenue at the Ingram Avenue intersection. This passed unanimously and was so ordered.

Ordinance - Establishing a Three Way Stop on Elmhurst

A motion was regularly made by Councilmember Kondik and duly second by Councilmember Kaczmarek to authorize an ordinance establishing a three way stop at the Elmhurst and Palisades Drive intersections This passed unanimously and was so ordered

Ordinance - Establishing a Stop Sign on N. 20th Street

A motion was regularly made by Councilmember Minella and duly second by Councilmember Powell to authorize an ordinance establishing a stop sign on N. 20th Street at the Seneca Street

intersection. This passed unanimously and was so ordered.

Ordinance - Establishing "No Left Turn" onto Purdy Lane

Councilmember Ash questioned who requested the recommendation. He was informed that it was given to Mr. Svokas. Mayor Harris stated that there may be an ordinance already enacting this request. Mayor Harris then informed that if this ordinance is not in affect, then he supports this recommendation. A motion was regularly made by Councilmember Kondik and duly second by Councilmember Minella to authorize an ordinance establishing no left turn onto Purdy when traveling North on Main Street. A roll call vote was taken. A yes is in favor a no is not. The results were as follows:

Councilmember Ash	No
Councilmember Kondik	Yes
Councilmember Kaczmarek	No
Councilmember Dorich	No
Councilmember Minella	Yes
Councilmember Powell	Yes

After a 3-3 tie, Mayor Harris cast a yes vote and the Ordinance so passed.

Ordinance - Establishing Parking on Ritchie Avenue

A motion to table an ordinance establishing parking on Ritchie Avenue was made by Councilmember Kaczmarek and duly second by Councilmember Ash. A roll call vote was taken, a yes is in favor, a no is opposed. The results were as follows:

Councilmember Kondik	No
Councilmember Kaczmarek	Yes
Councilmember Dorich	No
Councilmember Minella	No
Councilmember Powell	No
Councilmember Ash	Yes

This died 4-2.

A motion was regularly made by Councilmember Kondik and duly second by Councilmember Powell to authorize an ordinance amending ordinance 1069 and establishing a no parking zone by a painted yellow line from 305 Ritchie Avenue to a point 22 feet West of the driveway of 259 Ritchie Avenue. All other provisions of said ordinance shall remain unchanged. A roll call vote was taken, a yes is in favor, a no is opposed. The results were as follows:

Councilmember Kaczmarek	No
Councilmember Dorich	No
Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Ash	No
Councilmember Kondik	Yes

After a 3-3 tie, Mayor Harris cast a yes vote and the Ordinance so passed.

Councilmember Ash stated that he received a complaint of City equipment being used to pave private property. He stated that he checked into the matter and it may be a mistake due to city vehicles not being marked properly. Mr. Azzarello stated that to the best of his knowledge, they are marked, but he will check into this.

EXECUTIVE SESSION

A motion to convene into Executive Session in accordance with WV State Code 6-9-A-4 (9), to discuss personnel matters was made by Councilmember Minella and duly second by Councilmember Ash. This passed unanimously and was so ordered.

ADJOURNMENT

With no further business before this May 19, 1997 Special Session of the Weirton City Council, the meeting was adjourned

Weirton City Council
Regular Session June 9, 1997

A Regular Session of the Common Council of the City of Weirton, Brooke and Hancock Counties, West Virginia, was held on June 9, 1997 at 7:00 P.M. in the Weirton City Building Council Chambers, with the Honorable Mayor Dean M. Harris presiding.

Council members in attendance were Tim Reinard, George Ash, George Kondik, D.J. Minella, Mark Kaczmarek, Steve Dorich, and Ed Powell.

City officials included Vince Azzarello, Michael Petteway, Valerie Means, A.D. Mastrantoni, Joe DiBartolomeo, Chuck Svokas, Terry Weigel, Kessler Cole, Captain Gordon, Tom Koumaros, and Rick Rekowski.

Mayor Harris asked if anyone would like to speak on Ordinance 1173, the Water Bond Issue. Councilmember Minella thanked Mr. Mastrantoni and his staff for saving the City over $1.1 million over a twenty year period.

Mayor Harris led the Pledge of Allegiance

MINUTES

A motion was regularly made by Councilmember Kaczmarek and duly second by Councilmember Dorich to Authorize the minutes from the May 12, 1997 Regular Session. This passed by a 6-1 vote, with Councilmember Ash abstaining, and was so ordered.

MAYOR'S AWARDS AND PROCLAMATIONS

Mayor Harris presented Top Gun shooting awards to Lt. Tim Connell, Sgt. Ralph Fletcher, and Ptlm. Warren Elliot. Those who were not present to receive their awards were Sgt. Joel Schriener and Lt. Tom Cooper.

Captain Gordon presented the Top Crew award to Lt. Connell, Sgt. Fletcher, Sgt. Gregory Moody, Ptlm Mike Powell, Ptlm Ron Haggerty, and Ptlm Jim George.

Mayor Harris presented Jamie Dentini an award for winning the State Discus Competition. He also presented Ashely Angelo, Patrice Smith, Terra Miller and Jackie Dyke an award for winning the State 4 x 200 and 4 x 400 relay.

COMMUNICATIONS

Mayor Harris informed that Cathy Fodor has sent out letters concerning the dangers of truck traffic on Weirton Heights Hill.

Councilmember Dorich announced that the Housing Authority has presented the City with a check for $6,244.75. Mayor Harris then turned the check over to Valerie Means.

CITIZENS REMARKS

Cathy Fodor informed Council of the dangers of re-routing traffic to Weirton Heights Hill. She stated several fatal cases that have occurred and asked that some sort of safety mechanism(s) be installed. Mayor Harris agreed that this is a major concern and is in the process of being looked at. Mr. Azzarello stated that he has tried to contact Dan Taylor, District 6 Engineer, on this issue. Mayor Harris continued by requesting recommendations from Chief Hicks and Chief Cole. He then concluded by informing that this will be researched. Councilmember Dorich also showed support for a safety mechanism, but also stated that there are limited options due to the area.

Mrs. Fodor stated that more accidents are inevitable. Mayor Harris stated that it would be better to take proactive measures than reactive. He then asked that she be involved with this process and if anyone also had a recommendation, please bring it forward.

Lisa Conti, Chamber of Commerce, thanked council for reconsidering the B & O and showed support for the Municipal Fee. Mayor Harris and Council thanked the Chamber for their cooperation and support, and stated that the City will ultimately benefit from this fee.

Dan Taylor, who was present for the Ritchie Avenue item, once again asked for support. He then addressed the resolution for the Mural. He stated that due to communication by Mayor Harris and Council, he and his client, Mrs. Kepps, were led to believe that she had been hired to do this job. He stated that if it is granted to another person, it would be to her detriment. He concluded by asking that Council not vote on this item until this has been reviewed.

Councilmember Ash stated that he is not aware of this situation, and asked that Mr. Azzarello explain. Mr. Taylor informed that certain members of Council and City Administration are aware of this.

Mayor Harris asked that the City Attorney comment. Mr. DiBartolomeo stated that this is not the proper forum to discuss this matter, and recommended that it be discussed during executive session. Mr. Taylor questioned an add that had been published in the Intelligencer announcing that his client had been awarded the contract. Councilmember Powell questioned how could this be settled. Mr. Taylor informed that his client is willing to sit down and discuss what discuss what representations have been made and reach an agreeable decision.

Councilmember Ash informed that he had planned to vote for this resolution, but is now uncertain due to the confusion. Mayor Harris informed that there may have been some confusion, but the proper process has been followed. Mr. DiBartolomeo informed that the resolution can be voted on because it is nonbinding.

Mr. Taylor stated that this was not an attempt to blind side Councilmember Ash. He informed that today was the first time that he was contacted by his client. Councilmember Ash agreed that there was a short time frame, and added that he would like to be completely informed before making a decision. Mr. Taylor stated that he would like to inform all members of Council of what the facts are. Mayor Harris concluded this discussion by saying that the facts from both sides can be presented at the proper forum.

A representative from Simons Furniture, stated that he believes that the Municipal Fee is more agreeable tan the B & O. He then asked for an exemption from the square footage of a business that is not accessible to the retail public or the areas that do not have a business license. He concluded by saying that as things stand, their total cost would be increased by 377%.

Ralph Fuscardo, Art Works, supported the Mural Resolution and the process used to select an artist for the project.

Roger Ashbey, did not agree with square footage being used as the criteria for basing the Municipal Fee. He felt that this fee has been charged through and asked Council to change or vote against it. Mayor Harris stated that the City and the Chamber of Commerce have both put a lot of effort and thought into this fee and they both support it.

John Larch agreed with the Intelligencer as describing the fee as the "lesser of two evils." He then showed some concern for using square footage, but ultimately supported and asked Council to pass it.

Judy Pievich, President of HOA in Ward IV, asked Council to please reconsider restricting nude dancing to the 3100 Block of Main Street.

Ralph Barone stated that the Zoning ordinance is only making "more hurdles for developers." He stated that adding more regulations keeps the city from growing. He asked that Council vote this down. Mr. Barone also stated his opposition to the Municipal Fee and its exemptions. He then named several ways in which citizens are already paying this fee. He then stated the fact that the City is going to spend $22,000 on a mural, which could be spent on a safety device for Weirton Heights Hill. He did not agree with the way in which the City's money is being spent.

Mr. Azzarello stated that Mr. Barone is inaccurate on three points that he has expressed. There

has not been a water and sewer increase, only water. This increase was for the Sludge Dewatering Facility which is mandated by the EPA. The City is only permitted to collect 3% of property reappraisals each year. Finally, the State Casualty Insurance Premium Tax on citizens insurances, part goes to the Volunteer Fire Departments within the State and the other portion goes to the City's Police and Fire Department, not in the General Fund.

Mr. Barone agreed that the money does go to the Volunteers. He also stated that the 3% may not change, but the principal amount does. Mayor Harris stated that in order for the City to progress, its facilities need to be upgraded. He also stated that he does understand Mr. Barone's concerns of spending $22,000 on the Mural, but at the same time asked that ;he realize that beautifying the City can attract more people to this area.

Lester Lash, 127 Elmer Ave., asked if the city would consider putting in crosswalks on Main Street, Hudson Ave., and Cove Road. Mayor Harris and Michael Petteway both agreed that this can be addressed by the Traffic Commission. Councilmember Ash stated that these had been previously requested, but he will request them again.

George Vellaga informed Council that the restrictions on the Lee Avenue bridge have changed, so should the ordinance.

John Barone was present to speak on the Zoning Ordinance. He stated that additional regulations are not needed and asked that Council vote against this ordinance.

OLD BUSINESS

Ordinance 1173 (Third Reading) - Water Bond Series 1997 A

A motion was regularly made by Councilmember Ash and duly second by Councilmember Powell to authorize at third reading Ordinance 1173 Water Bond Series 1997 A (West Virginia SRF Program). A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Ash	Yes
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes

This passed unanimously and was so ordered. Vince Collins, of Steptoe and Johnson, stated that since this SRF bond has past on the third reading, Treasury Notes will be purchased that will pay off the outstanding bonds as they come due. He also informed that the rate on the Treasury Bonds is higher than that of the outstanding bonds, so the city will be receiving $220,000 from the difference. This money has to be used on a water project. Mayor Harris once again thanked Mr. Mastrantoni for his efforts.

Ordinance 1169 - Second Reading

A motion was regularly made by Councilmember Dorich and duly second by Coucilmember Reinard to authorize ordinance 1169 establishing a stop sign on Avenue A at the Main Street intersection. This passed unanimously and was so ordered.

Ordinance 1177 - Second Reading

A motion was regularly made by Councilmember Minella and duly second by Councilmember Powell to authorize ordinance 1177 establishing salaries of Municipal employees of the various department within the City of Weirton General Fund (Fire Department). This passed unanimously and was so ordered.

Ordinance 1178 - Second Reading

A motion was regularly made by Councilmember Ash and duly second by Councilmember Kaczmarek to authorize ordinance 1178 establishing a stop sign on Beverly Avenue at the Ingram Avenue intersection. This passed unanimously and was so ordered.

Ordinance 1179 - Second Reading

A motion was regularly made by Councilmember Kondik and duly second by Councilmember Minella to authorize ordinance 1179 establishing a three way stop at the intersection of Elmhurst Drive and Palisades Drive. This passed unanimously and was so ordered.

Ordinance 1180 - Second Reading

A motion was regularly made by Councilmember Minella and duly second by Councilmember Kaczmarek to authorize ordinance 1180 establishing a stop sign on N.20th Street at the Seneca Street intersection. This passed unanimously and was so ordered.

Ordinance 1181 - Second Reading

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Minella to authorize ordinance 1181 establishing no left turn onto Purdy Lane from Main Street. A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Minella	Yes
Councilmember Powell	Yes
Councilmember Ash	No
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes

This passed 6-1 and was so ordered.

Ordinance 1182 - Second Reading

Councilmember Kaczmarek presented photos not supporting the recommendation. He also presented the minutes of the Traffic Commission meeting at which Mr. Mousadis stated that if an emergency was in the area this would probably not be the route chosen. Councilmember Kaczmarek disagreed with this statement and this request.

Councilmember Powell asked if this was a recommendation from the Traffic Commission and was informed that it had been. He then made a motion that was duly second by Councilmember Kondik. This ordinance passed on a 4-3 vote and was so ordered with Councilmembers Ash, Kaczmarek, and Dorich raising their hands to cast no votes.

Ordinance - Amending Article 7 Sections 703, 704, 705, and 707

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Kaczmarek to remove this item from the table, this passed unanimously by a show of hands. A motion was then made by Councilmember Reinard and duly second by Councilmember Powell to authorize an ordinance amending Article 7 Sections 703, 704, 705, and 707. Councilmember Ash questioned what has occurred since last months tabling. Councilmember Reinard stated that he has had the chanced to communicate with five of the City's developers. He stated that they feel there are enough regulations as things stand, but he believes that this ordinance is partially reducing those restrictions. Councilmember Ash made a motion to amend this ordinance and require three off street parking stalls for Census Tracks 202 and 302 (downtown). Councilmember Reinard duly second and then questioned if the Planning Commission has always considered two appropriate. Mr. Svokas informed that an amendment that passed in 1980 does list three as an option, however, two has been standardly used. Councilmember Reinard then

withdrew his second. Councilmember Kondik questioned and was informed that these Census Tracks cover Ward IV. Councilmember Kondik then duly second this amendment. Councilmember Dorich asked if this pertains only to new construction. Councilmember Ash stated any conversions. Councilmember Kaczmarek questioned the legality of the amendment, Mr. DiBartolomeo informed that this is only the first reading, so amendments can be made. Councilmember Powell asked if this had been discussed by the Planning Commission. Mr. Svokas stated that this option is in the ordinance, and has been previously discussed, although limiting this to two Census Tracks may be questionable. Mr. DiBartolomeo stated that he would need some time to research this item.

A roll call vote was taken on the amendment, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Powell	Yes
Councilmember Ash	Yes
Councilmember Kondik	Yes
Councilmember Reinard	No
Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	No

This passed on a 5-2 vote.

A roll call vote was then taken to authorize the ordinance as amended. A yes is in favor, a no is opposed, the results were as follows:

Councilmember Ash	Yes
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes
Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	Yes

This passed unanimously and was so ordered.

NEW BUSINESS

Ordinance - Establishing a Municipal Fee

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Powell to authorize an ordinance establishing a Municipal Fee for the City of Weirton. Councilmember Kondik asked if an amendment to exempt storage space could be made at second reading. Mr. DiBartolomeo informed that this is possible. Councilmember Kondik asked questioned when would it have a second reading. Mr. Azzarello stated that it is tentatively scheduled for July's Regular Session. Councilmember Ash questioned if it is amended would it need to be read for the first time. Mayor Harris informed that it would depend on the type of amendment made.

Councilmember Ash made suggestions on cutbacks such as removing metered parking, which loses money, and withdrawing funds given to the Park Board. He also stated that there is no business license for rental property. He then stated that he will be opposing this and presented copies of the petition that he is going to have signed throughout the City, assuming no responsibility for false signatures.

Councilmember Reinard commented on the entire process of finding a financing method. He mentioned the increased costs that businesses would face related to the B&O compared to the costs of the Municipal Fee. He informed that he has contacted a local organization who will assist

those who need assistance in obtaining the $5.00 fee.

Mayor Harris stated that he believes that the City is cutting cost and will continue to do so. He stated that the B&O is a regressive tax. He then thanked those involved with establishing the Municipal Fee (Valerie Means, Vince Azzarello, Councilmember Reinard, Lisa Conti, John Frankovitch, Bill Keifer, Dave Robertson, and Greg Burns). He concluded by asking Council to support this consolidated effort and help the City in its progress.

A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Ash	No
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Kaczmarek	Yes
Councilmember Dorich	No
Councilmember Minella	Yes
Councilmember Powell	Yes

This Ordinance passed on a 5-2 vote, with Councilmembers Ash and Dorich casting no votes.

Ordinance - Amending Ordinance 1174
(City Planner)

A motion was regularly made by Councilmember Minella and duly second by Councilmember Dorich to authorize an ordinance amending ordinance 1174 establishing the salaries of Municipal Employees of the various departments within the City of Weirton General Fund. This passed on a 6-1 vote, with Councilmember Ash casting a no vote.

Ordinance - Amending Ordinance 1176
(Senior Crew Leader)

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Powell to authorize an ordinance amending ordinance 1176 establishing the salaries of Municipal Employees within the City of Weirton Water Department. This passed on a 5-2 vote, with Councilmembers Dorich and Ash raising their hands to cast no votes.

Resolution - Mutual Aid Agreement
(Steubenville Fire Department)

Mr. Azzarello informed that Chief Cole brought this option to his attention. This will supply the downtown area with a laddered truck during the construction of the overhead bridge.

Councilmember Dorich questioned this fire departments response time. Chief Cole informed three and a half minutes. He also stated that the City has a verbal agreement on the Veterans Memorial Bridge.

A motion was made by Councilmember Ash and duly second by Councilmember Kaczmarek to authorize a resolution to enter into a Mutual Aid Agreement with the City of Steubenville Fire Department. This passed unanimously and was so ordered.

Resolution - Contract with GIA Consultant

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Powell to authorize a resolution to enter into a contract with GIA Consultants. Councilmember Kondik asked if there was someone in the State who could be hired for this job. Mr. Mastrantoni stated that they are the original provider of the system and that these funds will be refunded by WVEDA. This passed unanimously and was so ordered.

Ordinance to Vacate and Abandon an Alleyway (Elliot)

Councilmember Dorich stated that this property is vacant and unwanted by anyone else. This

gentleman plans to use it for future development. He also informed that the City has been granted a new right of way. He then recommended it by making a motion, which was duly second by Councilmember Reinard. Councilmember Powell stated that he will be abstaining from the abandonments. This passed on a 6-0 vote with Councilmember Powell abstaining.

Ordinance to Vacate and Abandon an Alleyway (Castillo)

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Minella to authorize an ordinance to vacate and abandon an alleyway in the City of Weirton. This passed on a 6-0 vote with Councilmember Powell abstaining.

Resolution - Payment for Preparation of B & O Tax Ordinance

A motion was regularly made by Councilmember Ash and duly second by Councilmember Dorich to authorize a resolution for the payment of preparation cost of the B&O Tax ordinance. This passed unanimously and was so ordered.

Resolution - Authorize Expenditure of Hancock County Video Lottery Funds

A motion was regularly made by Councilmember Minella and duly second by Councilmember Dorich to authorize the expenditure of Hancock County Video Lottery Funds to purchase equipment for Weirton Heights Volunteer Fire Department Company No. 3. This passed unanimously and was so ordered.

Resolution - Authorize Expenditure of Hancock County Video Lottery Funds

A motion was regularly made by Councilmember Dorich and duly second by Councilmember Powell the expenditure of Hancock County Video Lottery Funds to purchase equipment for Weirton Heights Volunteer Fire Department Company No. 3. This passed unanimously and was so ordered.

EXECUTIVE SESSION

A motion to convene into Executive Session in accordance with WV State Code 6-9-A-4(9), to discuss personnel matters was made by Councilmember Minella and was duly second by Councilmember Minella. This passed unanimously and was so ordered.

NEW BUSINESS (continued)

Mayor Harris called the meeting to order at 9:30 p.m.

Resolution - Agreement for Contractor for 50th Anniversary Commemorative Mural

A motion was regularly made by Councilmember Ash and duly second by Councilmember Reinard to authorize an agreement for a contractor for the 50th Anniversary Commemorative Mural. A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Kondik	No
Councilmember Reinard	Yes
Councilmember Kaczmarek	No
Councilmember Dorich	Yes
Councilmember Minella	Yes
Councilmember Powell	No
Councilmember Ash	Yes

This passed on a 4-3 vote, and was so ordered.

Resolution - Revision 1996-97 Fiscal Year General Fund

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Kaczmarek to authorize a revision to the 1996-97 Fiscal Year General Fund Budget. This passed unanimously and was so ordered.

Resolution - Authorizing the City Manager to Apply for Overtime Funding (Police Department)

A motion was regularly made by Councilmember Ash and duly second by Councilmember Dorich to authorize a resolution authorizing the City Manager to apply for overtime funding through the Bureau of Justice Assistance Program for Fiscal Year 97-98. Councilmember Ash questioned if this could be used for walking the beat. Captain Gordon informed that it can be used for any overtime. He also stated that nonbinding recommendations are made by a Board. Councilmember Ash questioned who sits on the Board and was informed that it will consist of local government, an educational representative, a police representative, among others to be appointed. He also informed that the City's matching contribution is $1650.00(1/9) in order to gain $14,865. This passed unanimously and was so ordered.

APPOINTMENTS

A motion was regularly made by Councilmember Reinard and duly second by Councilmember Ash to authorize the following appointment and reappointments:

Weirton Beautification Commission (7-1-97 to 6-30-2000)

1. Cindy Oliver

Human Relations Commission (7-1-97 to 6-30-2000)

1. Judy Reveaux
2. Warren Slemmer
3. Karen Bryan

Park Board (7-1-97 to 6-30-2000)

1. William Currenton

Mayor Harris welcomed Mr. Bernard Kelley who served on Council 40 years ago.

ADMINISTRATIVE REPORTS

Police

Councilmember Dorich requested that Captain Gordon inform Chief Hicks of speeding on N. 10th Street.

Mayor Harris questioned what can the overtime grant be used for. Captain Gordon informed any approved overtime. Mayor Harris stated that we may need some assistance with traffic control during the closing of the overhead bridge, due to Weirton Steel changing their hours to 7 to 3p.m.

Community Development

Councilmember Ash questioned the status of the Gus Macker Tournament. Mayor Harris informed that it has been canceled due to lack of interest. He also informed that non of these funds have been used. Mayor Harris announced that this will probably be attempted next year without the assistance of City Employees.

Mayor Harris commented on telephone poles throughout the City being used for posting garage sales. Mr. Svokas stated that there is something in the Code, although it has not been fully enforced since the negative publicity gained by the Beautification Officer. He also mentioned that

the summer youth kids had been removing these signs. Mayor Harris and Mr. Svokas agreed that a more aggressive effort should be made. Mr. Svokas also mentioned the fact that the phone company handled this at one point in time. Mayor Harris announced the possibility of putting something in the newspaper.

Mayor Harris informed that Joe DiBartolomeo has received a complaint of children playing in the street. Mr. DiBartolomeo stated that this is in the Code and asked that Council consider how strict they would like this enforced.

Water

Councilmember Dorich asked that at the location of the last water break on Weir Avenue, the pavement be refinished.

Councilmember Ash questioned if something is being done on Hudson Avenue. Mr. Mastrantoni informed that this is a CDBG project, and is still being completed.

Fire Department

Councilmember Ash questioned when would the truck be delivered. Chief Cole informed August 1, 1997.

Park Board

Mayor Harris stated that if there are any questions for the Park Board they can be relayed. Council showed concerns of the neighborhood playgrounds. Mr. Azzarello mentioned the conditions of the asphalt at Starvaggi Park. Councilmember Ash stated that with the amount of money that is given to the Park Board, the parks should be maintained an upgraded far beyond what is currently being done.

Public Works

Councilmember Kondik questioned the dumpster problems. Mr. Weigel informed that this should be taken care of by the middle of July.

Councilmember Powell stated that he has communication from Bill Tice concerning sewer breakage on Pennsylvania Avenue.

Councilmember Ash asked that Mr. Svokas pursue enforcing the dumpster enclosures. Councilmember Reinard asked that Mr. Svokas find out what information Captain Lashorn has obtained on fire proof enclosures.

Treasurer's Report

A motion was made by Councilmember Reinard and duly second by Councilmember Kaczmarek to accept the Treasures's Report and Community Development Report, and to pay the Water Department and the General Fund bills. This passed unanimously and was so ordered.

ADJOURNMENT

With no further business before this June 9, 1997 Regular Session of the Weirton City Council, the meeting was adjourned.

Weirton City Council
Special Session March 30, 1998

A Special Session of the Common Council of the City of Weirton, Brooke and Hancock Counties, West Virginia was held on March 30, 1998 at 5:30 p.m. in the Weirton City Building Council Chambers with Mayor Dean M. Harris presiding.

Councilmembers in attendance were D.J. Minella, John Moore, George Kondik, George Ash, Tim Reinard, and Steve Dorich.

City officials included Joe DiBartolomeo, Valerie Means, A.D. Mastrantoni, Chief Kessler Cole, Chief Ralph Fletcher, Melissa Anderson, Vince Azzarello, Brae Bryant and Tom Koumaros.

Mayor Harris led the Pledge of Allegiance.

CITIZENS REMARKS

Mayor Harris stated this was a special meeting and there is no citizens comments, however, he entertained a motion to allow citizens comments. A motion was regularly made by Councilmember Ash and duly second by Councilmember Dorich. This passed by a 6-0 vote and was so ordered.

Dean Delamater asked how much the municipal safety and security services fee will generate. Councilmember Reinard replied it was not put in the proposal however, Valerie Means said it is $2,514,000. Delamater asked if the fee is based on square footage. Councilmember Reinard replied yes. Delamater asked how it compares to ordinance 1187. Vince Azzarello replied the current year budget has $675,000 and Ordinance 1187 estimated for $530,000 excluding Weirton Steel Corp.'s contribution. Azzarello told Delamater that the ordinance being proposed has a provision in it with an amount to be negotiated with Weirton Steel until both parties agree. He said the previous ordinance required Weirton Steel to pay two different in lieu of amounts but this ordinance has $514,000 plus Weirton Steel's square footage at $2 million. Delamater asked if ordinance 1187 was projected at $514,000 plus Weirton Steel's in lieu of. Azzarello replied it is $530,000 plus Weirton Steel's $900,000 in lieu of, plus the original $1.1 million in lieu of which totals $2 million.

Delamater inquired about the proposed ordinance and two occupants using the same building space. Councilmember Reinard explained it is a users fee so they would be charged. Delamater questioned if it is applied as billing. Councilmember Reinard told Delamater he would have to ask the city attorney. Reinard commented saying it is his opinion that citizens comments are for opinions and comments and he wasn't going to debate. Delamater commented about the square footage rate for benevolent organizations. He questioned the business and occupation tax revenue under the general fund and the source. Valerie Means said it is on the utilities. Delamater inquired about the in lieu of taxes being zero and if this was Weirton Steel's agreement. Azzarello said the $2 million dollars are both under one line item. Azzarello told him the budget has numbers in it reflecting the municipal service fee and as currently listed, Weirton Steel's contribution based on square footage. Delamater inquired about the source of the municipal service fee in 1997-98 of $55,500. Means explained it is revenue from refuge container dumpsters. Delamater asked if it includes the $2.5 million. Means replied yes however, Azzarello said there's a container revenue line item in the proposed budget of $62,000, a separate line item not involved with the municipal fee. Means apologized saying she thought he was inquiring about the combination of the two. Azzarello explained customers either purchase or rent dumpsters for refuse collection. Azzarello replied it is in the 1997-98 budget. Delamater handed a sheet to Azzarello. Mayor Harris interjected but Delamater remarked he wanted to continue. Azzarello stated he did not know where Delamater got the document but the city did not prepare it. Delamater asked if it was last year's budget. Azzarello said he's never seen the document before but can show him where the proposed budget versus the current 97-98 budget container revenue $55,500 for fiscal year 97-98 is proposed at $62,000 for 98-99. Delamater said the $55,500 is under municipal service fees. Azzarello said maybe its a typo. Delamater said he will check with Azzarello later.

Ralph Barone, 1045 Barone Drive, inquired about the garbage and refuse containers, asking if garbage and container fees are increased by ordinance over a period. Azzarello replied yes. Barone asked if personal garbage was included. Azzarello said there are two separate revenues, garbage collection and container revenue. He stated they are separated for accounting purposes to determine how much money is collected from the container revenue verses collection. Barone inquired if it is a garbage municipal service fee. Azzarello replied yes.

Terri Molnar, resident and homeowner, said she supports the proposed $5 fee for residents and a speedy vote on the proposed budget but she's against a b&o tax. She explained that Weirton Steel has supported the city for decades but the community should shoulder the expenses too. She commented the city should count it's losses as gain and move ahead. She hopes Council or future candidates won't use financial arenas to put citizens against businesses in an effort for votes that will divide the city.

Ralph Magnone, 129 Clearview Street, stated he wanted to collect $40 from the city for cutting his grass on a lot located at Pennsylvania Avenue. He was informed by a woman that only one of three city employees cut the grass. He questioned why the city is corrupt. Mayor Harris corrected him saying he nor anyone else will be allowed to call council nor anybody within the city, corrupt. Mr. Magnone understood. Mayor Harris remarked that he heard those words from Magnone since he was a councilman and it won't continue. Magnone asked to continue speaking. Mayor Harris replied yes, reminding him not to call anyone corrupt or he will be seated. Magnone recalled paying a water utility connect fee when only a meter was read. He said he paid the $15 fee, discussed it with Bill Ridgeway and was refunded. He then elaborated about the grass cutting and how Mr. James Lord was supposed to hear about it from a woman's daughter who was The secretary. Mayor Harris advised that Mr. Ridgeway and Mr. Lord have not worked for the city for three or two administrations. He said he was confused about what Magnone wanted. He asked if he is still seeking the $40, and he said yes. Harris doesn't think he will be refunded since the city performed a service for him. He said Mr. Azzarello would have to research the history of the situation.

NEW BUSINESS

✓ Resolution - Supplement resolution to approve a loan agreement for Water Revenue Bonds, Series 1998 A (West Virginia SRF Program) for the Sludge Dewatering Facility

A motion was regularly made by Councilmember Ash and duly second by Councilmember Dorich to approve a supplement resolution to approve a loan agreement for Water Revenue Bond, Series 1998 A. Councilmember Moore questioned the $2.9 million. Mastrantoni replied it was the total for the entire project. Moore questioned how long is the bond. Mastrantoni said 20 years. Mastrantoni said it is for the sludge dewatering facility and uses the state revolving loan fund for sewer development as its funding source. Moore asked Mastrantoni how much funding did the city get from the state for this project. Mastrantoni replied saying the loan was for all but $256,000 from the city's escrow account. He said $2.9 million minus the $256,000 signifies the money borrowed from the state revolving loan fund. Moore inquired if it is a 1% loan. Mastrantoni said he believes it is a 3% loan. This passed by a 6-0 vote and was so ordered.

Resolution-Authorize emergency repairs to Water Department Backhoe

A motion was regularly made by Councilmember Ash and duly seconded by Councilmember Reinard to adopt a resolution authorizing emergency repairs to the Water Department Backhoe. This passed by a 6-0 vote and was so ordered.

Resolution-Authorizing release of liens upon death of applicant in the City of Weirton Rehabilitation and Home ownership Assistance Programs

A motion was made by Councilmember Ash and duly second by Councilmember Dorich to adopt a

resolution authorizing release of liens upon death of applicant in the City of Weirton Rehabilitation and Home ownership Assistance Programs. Bob Wirgau said he and a HUD representative reviewed it and nothing formal prohibits the resolution, but HUD questioned it. He said it deprives eligible applicants and makes it available to non-eligible applicants, up to $15,000. He gave an example such as inheriting the property. Wirgau said it affects the reinvestment income, limits available CDBG funds and rehabilitation. He said the 1996 CDBG program had $726,000 budget but this year its $602,000, a little more than a 17 % decrease. He said the city needs to be frugal with the funds to serve the low-moderate income eligible. He doesn't think the city can afford to give it to the ineligible. He said an eligible family can occupy it and live out the lien. Councilmember Moore asked about their paying the lien. Wirgau said it's a forgivable loan, lien for five years, forgiven 20% a year and forgiven after five years. Moore asked about payments after the five years. Wirgau said there aren't any. Moore questioned if this is the fleecing of America. Wirgau disagreed saying they are the guidelines. Moore said he did not agree with the resolution and clarified fleecing, saying it deprives the eligible.

Councilmember Ash questioned if a family moving in it must be low-moderate income. Wirgau replied yes. Ash asked if ineligible could occupy it. Wirgau responded yes, but it has to be paid back. Ash said the city's elderly look for money for repairs but don't apply because they have been told their family will have to repay it. He said the majority of the elderly is entitled to it. Councilmember Kondik inquired how many elderly apply. Wirgau said most are elderly. Moore asked if rehabilitation increases property value. Wirgau said yes. Moore asked what happens if no living family member of the deceased wants to move in or qualifies, can the estate be sold. Wirgau said yes but the city gets the lien back. Moore asked under the proposed resolution if the lien is forgiven. Wirgau replied it is his understanding and from a utilization of funds, the resolution is not recommended.
A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Minella	No
Councilmember Moore	No
Councilmember Ash	Yes
Councilmember Kondik	No
Councilmember Reinard	No
Councilmember Dorich	Yes

This failed by a 4-2 vote.

Resolution-Authorizing revisions to the 1997-98 fiscal year general fund budget

A motion was made by Councilmember Ash and duly second by Councilmember Minella to authorize revisions to the 1997-98 fiscal year general fund budget in accordance with Code 11-8-14, as amended, the Council of the City of Weirton proceed to make an estimate of the amounts necessary to be raised for the current fiscal year. This passed by a 6-0 vote and was so ordered.

Ordinance-First Reading
To establish a Business and Occupation Tax in the City of Weirton

A motion was made by Councilmember Dorich and duly second by Councilmember Ash to establish a Business and Occupation Tax in the City of Weirton. Ash commented he was putting forth a second to get the bill over and done with. A roll call vote was taken with a yes is in favor, a no is opposed, the results were as follows:

Councilmember Moore	No
Councilmember Ash	No
Councilmember Kondik	No
Councilmember Reinard	No
Councilmember Dorich	Yes

Councilmember Minella	No

This failed by a 5-1 vote.

Ordinance-First Reading
To establish Municipal Safety and Security Service Fee for the City of Weirton

A motion was made by Councilmember Reinard and duly second by Councilmember Minella to establish a Municipal Safety and Security Service Fee for fire and police services in the City of Weirton. Councilmember Moore inquired whether or not Brooke County has a fire fee. Azzarello replied he believes so but thinks it is an excess levy. Moore asked about double taxation. Mr. DiBartolomeo said some people might pay more but because one is a levy and the other is a city fee for what the city pays for providing those services, but he thinks it would withstand a challenge. He said the city's such costs can be passed to the resident. Moore inquired asking how much money from the Brooke County fire levy might goes to the fire departments. Azzarello wasn't sure what the city department gets if any, asking Chief Cole to comment. Cole said through negotiations of the last levy that went through, the city fire department received $7,000 and each volunteer department in the city received $7,000 for a total of $28,000.

Councilmember Ash inquired about page 2 section (b) of the ordinance and sleeping rooms. Councilmember Reinard replied it applies if they live and eat separately. Ash asked how is it determined who lives in the house. He said many houses are now duplexes and triplexes in his ward. He said the city doesn't have a master meter for the water and many houses in his ward don't have separate meters. Ash questioned the enforcement. Azzarello replied the residential $5 fee as discussed last time the fee was passed, won't be aggressively sought because of the cost-benefit-ratio as it relates to collecting $5, versus spending time going door to door. He said the city cross references its material. Ash questioned first installment payment being September 30 and the objection to the fee being August 1 of each year, that if the fee passes now does someone have until August 1 of next year to object. Reinard stated the time line begins after July 1, 1998 as in section (a) and protestors have to see the city clerk before August 1 which has to be after July 1 of 1998, and all payments are due September 30. Reinard said this gives time to make a protest and gives the appeals board time to look at protests. Ash asked if residents have to bother with appealing if they don't want to pay the $5 because the city won't go after them anyhow. DiBartolomeo said that was not accurate. He said it will be enforced, it will just be a question of man power and if it is brought to the city's attention that someone isn't paying it, there will be an investigation and enforcement of payment. A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Ash	No
Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Dorich	No
Councilmember Minella	Yes
Councilmember Moore	No

This was a 3-3 tie broken by Mayor Harris casting a yes vote in favor of the ordinance.

Resolution-To adopt the 1998-99 Fiscal Year General Fund and Coal Severance Budgets

A motion was made by Councilmember Reinard and duly second by Councilmember Minella to adopt the 1998-99 Fiscal Year General Fund and Coal Severance Budgets. Councilmember Ash asked Mr. Azzarello under the revenue category where the $797,000 unencumbered balance came from. Azzarello replied saying, at the next to the last workshop questions arose whether to use Tom Koumaros non-conservative number or Mrs. Means conservative number, resulting in using the split difference. Ash said he knows it will pass with a 4-3 vote but the city might not get the $2.5 million put in there. He said the city already

heard from one attorney trying to build a case. A roll call vote was taken, a yes is in favor, a no is opposed, the results were as follows:

Councilmember Kondik	Yes
Councilmember Reinard	Yes
Councilmember Dorich	No
Councilmember Minella	Yes
Councilmember Moore	Yes
Councilmember Ash	No

This passed by a 4-2 vote and was so ordered.

Executive Session

A motion was made by Councilmember Ash and duly second by Councilmember Kondik to convene into an executive session in accordance with WV State Code 6-9-A-4 (9), to discuss pending litigation and personnel matters. This passed by a 6-0 vote.

Council reconvened at 6:40 p.m.

ADJOURNMENT

With no further business before this March 30, 1998 Special Session of the Weirton City Council the meeting was adjourned.

STATE OF WEST VIRGINIA
COUNTY OF HANCOCK

I,. AMY L. GIBBONS, BOOKKEEPER . . . . . .for the publisher of THE DAILY TIMES, a newspaper in the city of Weirton, State of West Virginia, here certify that the annexed publication was inserted in said newspaper on the following dates:

5/27/97 and 6/3/97

Commencing of this ..27.. day of ...MAY.....19.97

given under my hand this ..3.. day of .JUNE.....19.97..

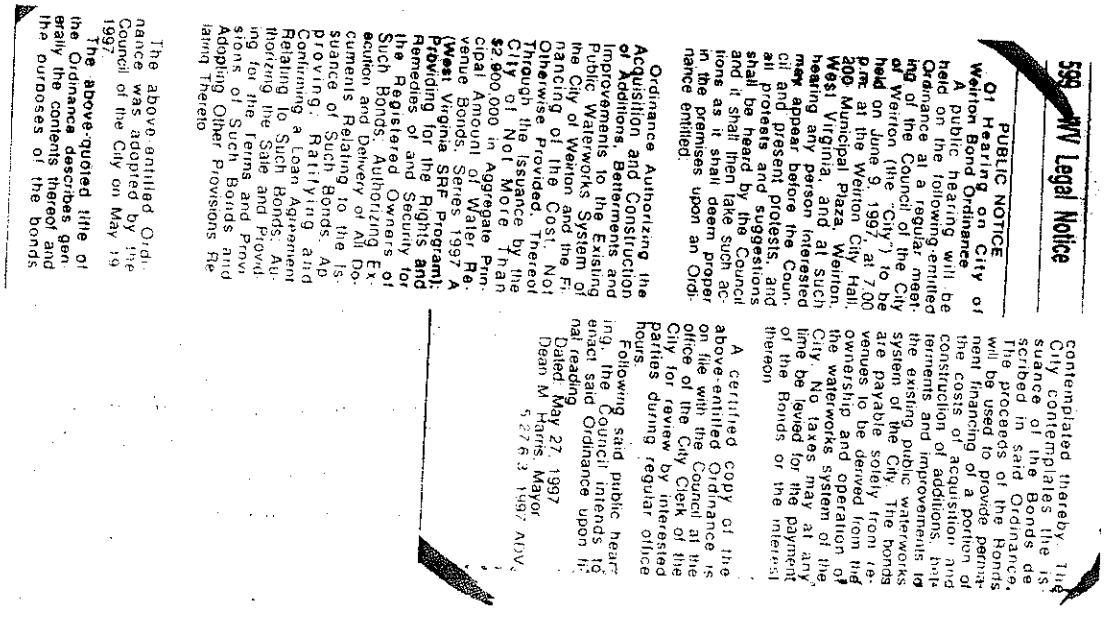
Amy L. Gibbons, Bookkeeper

Sworn to and subscribed before me this ....3.....day of.....
....JUNE..... 19.97

[illegible] Ohio
Commission Expires Feb. 14, 1999

[illegible]

of, in and for HANCOCK COUNTY, WEST VIGIINIA
My commission expires:



599 WV Legal Notice

PUBLIC NOTICE
Of Hearing on City of Weirton Bond Ordinance

A public hearing will be held on the following-entitled Ordinance at a regular meeting of the Council of the City of Weirton (the "City") to be held on June 9, 1997, at 7:00 p.m. at the Weirton City Hall, 200 Municipal Plaza, Weirton, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

Ordinance Authorizing the Acquisition and Construction of Additions, Betterments and Improvements to the Existing Public Waterworks System of the City of Weirton and the Financing of the Cost. Not Otherwise Provided. Thereof Through the Issuance by the City of Not More Than $2,900,000 in Aggregate Principal Amount of Water Revenue Bonds, Series 1997 A (West Virginia SRF 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-entitled Ordinance was adopted by the Council of the City on May 19 1997.

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 said Ordinance. The proceeds of the Bonds will be used to provide permanent financing of a portion of the costs of acquisition and construction of additions, betterments and improvements to the existing public waterworks system of the City. The bonds are payable solely from revenues to be derived from the ownership and operation of the waterworks system of the City. No taxes may at any time be levied for the payment of the Bonds or the interest thereon

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

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

Dated: May 27, 1997
Dean M Harris, Mayor
5 27 6 3 1997 ADV

23

WV MUNICIPAL BOND COMMISSION
812 Quarrier Street
Suite 300
Charleston, WV 25301
(304)558-3971

NEW ISSUE REPORT FORM

Date of Report: April 8, 1998

(See Reverse for Instructions)

ISSUE: CITY OF WEIRTON
WATER REVENUE BONDS, SERIES 1998 A (WV SRF Program)

ADDRESS: 200 Municipal Plaza, Weirton, WV 26062 **COUNTY:** ~~Brooke~~ & Hancock

PURPOSE OF ISSUE: New Money X / Refunding ___ **Refunds issue(s) dated:** N/A

ISSUE DATE: 4-8-98 **CLOSING DATE:** 4-8-98

ISSUE AMOUNT: $2,190,000 **RATE:** 2% Administrative Fee: 1%

1st DEBT SERVICE DUE: 9/1/99 **1st PRINCIPAL DUE:** 9/1/99, $22,331

1st DEBT SERVICE AMOUNT: $33,281 **PAYING AGENT:** Municipal Bond Commission - DEP

ISSUERS	UNDERWRITERS
BOND COUNSEL: Steptoe & Johnson	**BOND COUNSEL:** Jackson & Kelly
Contact Person: Vincent A. Collins, Esq.	**Contact Person:** Samme L. Gee, Esq.
Phone: 624-8161	**Phone:** 340-1318
CLOSING BANK: WesBanco Bank	**ESCROW TRUSTEE:**
Contact Person: Larry Finneran	**Contact Person:**
Phone: (304) 797-8055	**Phone:**
KNOWLEDGEABLE ISSUER CONTACT	**OTHER:** Division of Environmental Protection
Contact Person: A. D. Mastrantoni	**Contact Person:** Rosalie Broderser
Position: Utilities Director	**Function:** Branch Chief
Phone: 797-8544 **FAX:**	**Phone:** 558-0637

DEPOSITS TO MBC AT CLOSE:

By ___ Wire
XX Check

___	Accrued Interest:	$
___	Capitalized Interest:	$
XX	Reserve Account:	$ 133,128.00
___	Other:	$

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By ___ Wire
___ Check
___ IGT

___	To Escrow Trustee:	$
___	To Issuer:	$
___	To Cons. Invest. Fund:	$
___	To Other:	$

NOTES: RR = 133,128 FFAC
RD 12,078.40 begin 6/99

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED:

TRANSFERS REQUIRED:

STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SEVENTH FLOOR

P. O. BOX 1588

CHARLESTON, W. VA. 25326-1588

(304) 353-8000

FACSIMILE (304) 353-8180

BANK ONE CENTER, SIXTH FLOOR
P. O. BOX 2190
CLARKSBURG, W. VA. 26302-2190
(304) 624-8000
FACSIMILE (304) 624-8183

1000 HAMPTON CENTER
P. O. BOX 1616
MORGANTOWN, W. VA. 26507-1616
(304) 598-8000
FACSIMILE (304) 598-8116

126 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-8991
FACSIMILE (304) 263-4785

104 WEST CONGRESS STREET
P. O. BOX 100
CHARLES TOWN, W. VA. 25414-0100
(304) 725-1414
FACSIMILE (304) 725-1913

RILEY BUILDING, FOURTH FLOOR
14TH AND CHAPLINE STREETS
P. O. BOX 150
WHEELING, W. VA. 26003-0020
(304) 233-0000
FACSIMILE (304) 233-0014

THE RIVERS OFFICE PARK
200 STAR AVENUE, SUITE 220
P. O. BOX 628
PARKERSBURG, W. VA. 26102-0628
(304) 422-6463
FACSIMILE (304) 422-6462

April 9, 1998

City of Weirton
Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

WRITER'S DIRECT DIAL NUMBER

(304)353-8196
STUMPJC@Steptoe-Johnson.com

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Internal Revenue Service
Internal Revenue Service Center
Philadelphia, Pennsylvania 19255

Ladies and Gentlemen:

Enclosed herewith is a completed and executed Internal Revenue Service Form 8038-G and a file copy thereof with regard to the above-captioned issue. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked in red as the "File Copy" to me (after acknowledging receipt of the same) in the enclosed self-addressed, stamped envelope.

Thank you for your attention to this matter.

Very truly yours,

John C. Stump

JCS/aef
Enclosures
cc: Samme L. Gee, Esquire (w/encl.)

949750/97001

CH429195.

25

Form **8038-G** (Rev. May 1995)
Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.
(Note: Use Form 8038-GC if the issue price is under $100,000.)

OMB No. 1545-0720

Part I Reporting Authority — If Amended Return, check here ▶ ☐

1 Issuer's name: CITY OF WEIRTON	2 Issuer's employer identification number: 55 : 6000263
3 Number and street (or P.O. box if mail is not delivered to street address): 200 Municipal Plaza	Room/suite:	4 Report number: G19 98 - 1
5 City, town, or post office, state, and ZIP code: Weirton, West Virginia 26062	6 Date of issue: 4-8-98
7 Name of issue: City of Weirton Water Revenue Bonds Series 1998 A (West Virginia SRF Program)	8 CUSIP number: N/A

Part II Type of Issue (check applicable box(es) and enter the issue price)

9	☐ Education (attach schedule–see instructions)	9	$
10	☐ Health and hospital (attach schedule–see instructions)	10	
11	☐ Transportation	11	
12	☐ Public safety	12	
13	☒ Environment (including sewage bonds)	13	$2,190,000
14	☐ Housing	14	
15	☐ Utilities	15	
16	☐ Other. Describe (see instructions) ▶	16	
17	If obligations are tax or other revenue anticipation bonds, check box ▶ ☐		
18	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations

		(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
19	Final maturity	6/1/2019	2.000 %	$33,116	$33,116			
20	Entire issue			$2,190,000	$2,190,000	10.788 years	2.005 %	2.000 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

21	Proceeds used for accrued interest			21	-0-
22	Issue price of entire issue (enter amount from line 20, column (c))			22	$2,190,000
23	Proceeds used for bond issuance costs (including underwriters' discount)	23	$20,000		
24	Proceeds used for credit enhancement	24	-0-		
25	Proceeds allocated to reasonably required reserve or replacement fund	25	$133,128		
26	Proceeds used to currently refund prior issues	26	-0-		
27	Proceeds used to advance refund prior issues	27	-0-		
28	Total (add lines 23 through 27)			28	$153,128
29	Nonrefunding proceeds of the issue (subtract line 28 from line 22 and enter amount here)			29	$2,036,872

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.) N/A

30	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	years
31	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	years
32	Enter the last date on which the refunded bonds will be called ▶	
33	Enter the date(s) the refunded bonds were issued ▶	

Part VI Miscellaneous

34	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	34	-0-
35	Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(i)(III) (small issuer exception)	35	-0-
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	-0-
b	Enter the final maturity date of the guaranteed investment contract ▶		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	-0-
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____		
38	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐		
	If the issuer has identified a hedge, check box ▶ ☐		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Dean M. Harris — 4-8-98
Signature of issuer's authorized representative — Date

Dean M. Harris, Mayor
Type or print name and title

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

WesBanco Bank, Weirton, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the City of Weirton (the "Issuer") enacted by the Council of the Issuer on June 9, 1997, and a Supplemental Resolution of the Issuer adopted by the Council of the Issuer on March 30, 1998 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), dated April 8, 1998, in the principal amount of $2,190,000 (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 8th day of April, 1998.

WESBANCO BANK

Vice President

03/23/98
949750/97001

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

ACCEPTANCE OF DUTIES AS REGISTRAR

ONE VALLEY BANK, NATIONAL ASSOCIATION, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Weirton Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), dated April 8, 1998, in the principal amount of $2,190,000 (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 8th day of April, 1998.

ONE VALLEY BANK, NATIONAL ASSOCIATION

Charlotte S Morgan

Assistant Vice President

03/13/98
949750/97001

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

ONE VALLEY BANK, NATIONAL ASSOCIATION, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned bond issue of the City of Weirton (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered City of Weirton Water Revenue Bond, Series 1998 A (West Virginia SRF Program), of the Issuer, dated April 8, 1998, in the principal amount of $2,190,000, numbered AR-1, was registered as to principal and interest in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of One Valley Bank, National Association, as Registrar.

WITNESS my signature on this 8th day of April, 1998.

ONE VALLEY BANK, NATIONAL ASSOCIATION

Assistant Vice President

03/13/98
949750/97001

CITY OF WEIRTON

Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 8th day of April, 1998, by and between the CITY OF WEIRTON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $2,190,000 principal amount of Water Revenue Bonds, Series 1998 A (West Virginia SRF Program), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted June 9, 1997, and a Supplemental Resolution of the Issuer duly adopted March 30, 1998 (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 Weirton 200 Municipal Plaza Weirton, West Virginia 26062 Attention: City Manager
REGISTRAR:	One Valley Bank, National Association Post Office Box 1793 One Valley Square Charleston, West Virginia 25326 Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

IN WITNESS WHEREOF, the CITY OF WEIRTON and ONE VALLEY BANK, NATIONAL ASSOCIATION, have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the date first written above.

CITY OF WEIRTON

Mayor

City Manager

ONE VALLEY BANK, NATIONAL ASSOCIATION

Assistant Vice President

03/13/97
949750/97001

EXHIBIT A

Included in transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

Invoice

ONEVALLEY BANK

CITY OF WEIRTON

DATE APRIL 8, 1998

UNITS	ITEM DESCRIPTION	TOTAL
	CITY OF WEIRTON, WEST VIRGINIA WATER REVENUE BONDS, SERIES 1998 A. (WEST VIRGINIA SRF PROGRAM)	
	ONE TIME FEE FOR SERVICES AS REGISTRAR AND AUTHENTICATING AGENT.....	$250.00

SEND REMITTANCE TO: One Valley Bank
One Financial Place - 6th Floor
One Valley Square
P.O. Box 1793
Charleston, WV 25326
ATTN: CHARLOTTE S MORGAN

CITY OF WEIRTON

WATER REVENUE BONDS,
SERIES 1991 A AND SERIES 1991 B

BOND ORDINANCE

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CITY OF WEIRTON

ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE EXISTING WATERWORKS SYSTEM OF THE CITY OF WEIRTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $5,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1991 A AND NOT MORE THAN $1,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1991 B, PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

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 adopted pursuant to the provisions of Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law.

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

A. The City of Weirton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State.

B. The Issuer now owns and operates a public water treatment and distribution system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed certain additions, betterments and improvements for such existing waterworks facilities of the Issuer

(the "Project") (the existing waterworks facilities, the Project and any further additions thereto or extensions thereof is herein called the "System") at an estimated cost of $5,000,000, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds in the total aggregate principal amount of not more than $6,000,000 in two series, being the Series 1991 A Bonds in the aggregate principal amount of not more than $5,000,000, and the Series 1991 B Bonds in the aggregate principal amount of not more than $1,000,000 (collectively, the "Original Bonds"), to finance costs of design, acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Original Bonds prior to and during construction or acquisition and for 6 months after completion of construction of the Project; amounts which may be deposited in the Reserve Accounts; engineering, and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the Project, administrative expense, commitment fees, fees and expenses of the Authority (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Original Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the design, 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 Original 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 25 years.

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

G. There are outstanding certain obligations of the Issuer which will rank prior to the Original Bonds as to lien and source of and security for payment, being the Waterworks Revenue Bonds, Series 1964 dated March 1, 1964, issued in the original aggregate principal amount of $2,843,185, of which $1,465,000 remains Outstanding as of the date of this Ordinance (the "Prior Bonds").

The Series 1991 A Bonds and Series 1991 B Bonds shall be junior and subordinate to the Prior Bonds. The Series 1991 B Bonds shall also be junior and subordinate to the Series 1991 A Bonds.

H. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Original Bonds, or will have so complied prior to issuance thereof, including, among other things, the obtaining of a Certificate of Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the date of issuance of the Original Bonds or such final order will not be subject to appeal.

I. The Issuer has received (or will receive prior to issuance of the Bonds) the written consent of the Authority to issuance of the Original Bonds junior and subordinate to the Prior Bonds.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and System, and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefiting thereby reasonably expect to issue less than $5,000,000 aggregate principal amount of tax-exempt obligations during the calendar year in which the Original Bonds are to be issued.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Original Bonds by those who shall be the registered owners of the same from time to time, this

Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the registered owners of any and all of such Original Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Original Bond of a series and any other Original Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means Chapter 8, Article 19 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Original Bonds, or any other agency of the State of West Virginia that succeeds to the functions of the Authority.

"Authorized Officer" means the Mayor or City Manager of the Issuer or any acting Mayor or City Manager duly appointed by the Governing Body.

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

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

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

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

"Bond Year" means each one-year period (or shorter period from the date of issuance of the Original Bonds) that ends at the close of business on October 1.

"Bonds" means the Original Bonds, and, where appropriate, the Prior Bonds and any bonds on a parity with the Original Bonds.

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

"City Manager" means the City Manager of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Bonds for the proceeds representing the purchase of the Bonds by 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 Gills, Guard and Johnson, Inc., Willoughby, Ohio, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

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

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

"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.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that "Gross Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets

(including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

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

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

"Issuer" means the City of Weirton, in Hancock County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" shall mean, collectively, the Loan Agreement and the Supplemental Loan Agreement, to be entered into between the Authority and the Issuer providing for the purchase of the Original Bonds from the Issuer by the Authority, the forms of which 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 Original Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the Reserve Accounts. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Original Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the Gross Proceeds of the Series 1991 A Bonds and is not acquired in order to carry out the governmental purpose of the Original Bonds.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses,

other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, Registrar and Paying Agent (all as herein defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Original Bonds" or "Bonds originally authorized hereby" or similar phrases mean, collectively, the not more than $5,000,000 in aggregate principal amount of Series 1991 A Bonds and the not more than $1,000,000 in aggregate principal amount of Series 1991 B Bonds, issued for the purpose of paying a portion of the Costs of the Project and for such other purposes permitted and authorized by this Bond Legislation.

"Outstanding," when used with reference to Bonds or Prior 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 or Registrar for Prior Bonds at or prior to said date; (ii) any Bond or Prior Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption, shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders or holders of Prior Bonds, any Bonds or Prior Bonds registered to the Issuer.

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

"Paying Agent" means the bank or banks or other entity designated as such for the Bonds from time to time in the Supplemental Resolution or such entity or authority as may be designated by the Issuer.

"Prior Bonds" means the Waterworks Revenue Bonds, Series 1964, of the Issuer, dated March 1, 1964, issued in the original aggregate principal amount of $2,843,185, of which $1,465,000 remains Outstanding as of the date of this Ordinance.

"Prior Ordinance" means the ordinance enacted by the Issuer on February 19, 1964, pursuant to which the Prior Bonds were issued.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to "incidental use," if any, of the proceeds of the issue and/or proceeds used for "qualified improvements," if any.

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

"Project" means the acquisition and construction of certain additions, betterments and improvements for the Issuer's existing public waterworks system, consisting generally of a permanent raw water intake, pumps, storage facilities, distribution lines, and all necessary appurtenances.

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

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

"Regulations" means all applicable 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.

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

"Series 1991 A Bonds" or "Series A Bonds" means the not more than $5,000,000 in aggregate principal amount of Water Revenue Bonds, Series 1991 A, of the Issuer.

"Series 1991 A Bonds Reserve Account" means the Series 1991 A Bonds Reserve Account established in the Series 1991 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1991 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 1991 A Bonds in the then current or any succeeding year.

"Series 1991 A Bonds Sinking Fund" means the Series 1991 A Sinking Fund established by Section 5.02 hereof.

"Series 1991 B Bonds" or "Series B Bonds" means the not more than $1,000,000 in aggregate principal amount of Water Revenue Bonds, Series 1991 B, of the Issuer.

"Series 1991 B Bonds Reserve Account" means the Series 1991 B Bonds Reserve Account established in the Series 1991 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1991 B Bonds Reserve Requirement" means, as of the date of calculation, the maximum amount of principal which will become due on the Series 1991 B Bonds in the then current or any succeeding year.

"Series 1991 B Bonds Sinking Fund" means the Series 1991 B Bonds Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

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

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

"System" means the complete municipal waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any further improvements or extensions thereto hereafter constructed or acquired from any sources whatsoever.

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

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

ARTICLE II

AUTHORIZATION OF CONSTRUCTION AND ACQUISITION OF THE PROJECT

Section 2.01. Authorization of Construction and Acquisition of the Project. There is hereby authorized the construction and acquisition of the Project, at an estimated cost of $5,000,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Bonds hereby authorized shall be applied as provided in Article VI hereof.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 1991 A Bonds, funding a reserve account for each series of Original Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, there shall be issued negotiable Original Bonds of the Issuer, in an aggregate principal amount of not more than $6,000,000. Said Bonds shall be issued in two series, to be designated respectively, "Water Revenue Bonds, Series 1991 A," in the aggregate principal amount of not more than $5,000,000, and "Water Revenue Bonds, Series 1991 B," in the aggregate principal amount of not more than $1,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in the Bond Construction Trust Fund established by Section 5.01 hereof.

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

Unless otherwise provided by the Supplemental Resolution, the Original Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of each series, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Bonds of each series shall be exchangeable at the option and expense of the Holder for other fully registered Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of

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

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. The Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from such date.

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

Section 3.04. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.09 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

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

conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

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

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

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

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

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

Section 3.08. Bonds Secured by Subordinate Pledge of Gross Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of all the Series 1991 A Bonds shall be secured forthwith equally and ratably with each other, by a lien on the Gross Revenues junior and subordinate to the lien on Gross Revenues in favor of the Holders of the Prior Bonds. The payment of the debt service of all the Series 1991 B Bonds shall be secured forthwith equally and ratably with each other by a lien on the Gross Revenues junior and subordinate to the lien on Gross Revenues in favor of the Holders of the Prior Bonds and the Series 1991 A Bonds. Such Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Prior Bonds and the Bonds and to make the payments into the Sinking Funds, the Reserve Accounts therein, the Depreciation Fund and the Renewal and Replacement Fund hereinafter established, and all other payments provided for in the Bond Legislation are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided in the Bond Legislation.

Section 3.09. Form of Original Bonds. The text of the Bonds shall be in substantially the following forms, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Form of Series 1991 A Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WEIRTON
WATER REVENUE BOND, SERIES 1991 A

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WEIRTON, a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ ($_____), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning _____ 1, 19____. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated _____, 1991.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the existing waterworks facilities of the Issuer (the "Project"); [(ii) to pay interest on the Bonds of this Series (the "Bonds") during the construction of the Project and for not more than 6 months thereafter;] [(iii) to fund a reserve account for the Bonds;] and (iv) to pay certain costs of issuance hereof and related costs. The existing waterworks system of the Issuer, the Project, and any further additions, betterments and 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 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance duly enacted by the Issuer on _____, 1991, and Supplemental Resolution duly adopted by the Issuer on _____, 1991 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is issued concurrently with the Water Revenue Bonds, Series 1991 B, of the Issuer (the "Series 1991 B Bonds"), issued in the aggregate principal amount of $_____, which Series 1991 B Bonds are junior and subordinate with respect to liens and sources of and security for payment to the Bonds.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGES AND SOURCES OF AND SECURITY FOR PAYMENT TO THE ISSUER'S OUTSTANDING WATER REVENUE BONDS, SERIES 1964, DATED MARCH 1, 1964, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,843,185 (THE "PRIOR BONDS").

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, after there has first been paid from said Gross Revenues all payments then due and owing on account of the Prior Bonds, and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1991 A Bonds Reserve Account"), and unexpended proceeds of the Bonds and the Series 1991 B Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory

provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 1991 A Bonds Reserve Account and unexpended proceeds of the Bonds and the Series 1991 B Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, the Series 1991 B Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds or the Series 1991 B Bonds, including the Prior Bonds, provided however, that so long as there exists in the Series 1991 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for the Series 1991 B Bonds and any other obligations outstanding prior to or on a parity with the Bonds or the Series 1991 B Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, the CITY OF WEIRTON has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be affixed hereon and attested by its City Clerk, and has caused this Bond to be dated _____, 1991.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1991 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: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

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

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

Dated: _____, _____.

_____

In the presence of:

_____

[Form of Series 1991 B Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WEIRTON
WATER REVENUE BOND, SERIES 1991 B

No. BR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WEIRTON, a municipal corporation and political subdivision of the State of West Virginia in Brooke and Hancock Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ ($_____), in annual installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, without interest.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Supplemental Loan Agreement between the Issuer and the Authority, dated _____, 1991.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the existing waterworks facilities of the Issuer (the "Project"); [(ii) to fund a reserve account for the Bonds of this Series (the "Bonds");] and (iii) to pay certain costs of issuance hereof and related costs. The existing waterworks system of the Issuer, the Project and any further additions, betterments and improvements thereto is 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 of the West Virginia Code of 1931,

as amended (the "Act"), and an Ordinance, duly enacted by the Issuer on _____, 1991, and a Supplemental Resolution duly adopted by the Issuer on _____, 1991 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGES AND SOURCES OF AND SECURITY FOR PAYMENT TO CERTAIN OUTSTANDING WATER REVENUE BONDS OF THE ISSUER AS FOLLOWS:

(i) WATER REVENUE BONDS, SERIES 1964, DATED MARCH 1, 1964, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,843,185 (THE "PRIOR BONDS"); AND

(ii) WATER REVENUE BONDS, SERIES 1991 A, ISSUED CONCURRENTLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $_____ AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1991 A BONDS").

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 after there has first been paid from said Gross Revenues all payments then due and owing on account of the Prior Bonds and the Series 1991 A Bonds, all moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1991 B Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Gross Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Gross Revenues, the moneys in the Series 1991 B Bonds Reserve Account and unexpended Bond proceeds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, the

Prior Bonds, the Series 1991 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity therewith, including the Prior Bonds, provided however, that so long as there exists in the Series 1991 B Bonds Reserve Account and the reserve account established for the Series 1991 A Bonds, respectively, amounts at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds and the Series 1991 A Bonds in the then current or any succeeding year, and any reserve account for any such prior or parity obligations, including the Prior Bonds, is funded at least at the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law, shall be applied solely to the payment of the Costs of the Project described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owners of the Bonds, which lien is subordinate to the lien in favor of the registered owners of the Series 1991 A Bonds.

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

a sufficient amount of the revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, the CITY OF WEIRTON has caused this Bond to be signed by its Mayor and City Manager and its corporate seal to be hereunto affixed hereon and attested by its City Clerk, and has caused this Bond to be dated _____, 1991.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1991 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above as of the date set forth below.

Date: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

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

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.10. Sale of Original Bonds; Approval and Ratification of Execution of Loan Agreement with Authority. The Original Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous 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 City Clerk 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.

Section 3.11. "Amended Schedule A" Filing; Tender of Series 1991 B Bonds. Upon completion of acquisition and construction of the Project, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor. In the event such schedule reflects an excess of funding for the Project, or if the Authority is otherwise advised of an excess, the Authority may tender the Series 1991 B Bonds to the Issuer for payment in an amount equal to such excess.

ARTICLE IV

[RESERVED]

ARTICLE V

SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are created (or continued if previously established by the Prior Ordinance) with and shall be held by, the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and from each other:

(1) Revenue Fund (established by Prior Ordinance);

(2) Depreciation Fund (established by the Prior Ordinance);

(3) Renewal and Replacement Fund;

(4) Operation and Maintenance Fund (established by the Prior Ordinance);

(5) Bond Construction Trust Fund; and

(6) Rebate Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby established (or continued if previously established by the Prior Ordinance) with the Commission:

(1) The Sinking Fund established for the Prior Bonds, including the reserve account established therein (hereinafter called the "Prior Bonds Sinking Fund");

(2) Series 1991 A Bonds Sinking Fund;

(a) Within the Series 1991 A Bonds Sinking Fund, the Series 1991 A Bonds Reserve Account.

(3) Series 1991 B Bonds Sinking Fund;

(a) Within the Series 1991 B Bonds Sinking Fund, the Series 1991 B Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond

Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided.

(1) The Issuer shall first, on or before the dates specified in the Prior Ordinance, transfer from the Revenue Fund and remit to the Commission for deposit into the Prior Bonds Sinking Fund such sums as are prescribed and in the priority set forth in the Prior Ordinance.

(2) Thereafter, from the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 1991 A Bonds for which interest has not been capitalized, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in the Series 1991 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 1991 A Bonds on the next ensuing semiannual interest payment date; provided, that, in the event the period to elapse between the date of such initial deposit in the Series 1991 A Bonds Sinking Fund and the next semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, one month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1991 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1991 A Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1991 A Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1991 A Bonds Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1991 A Bonds, if not fully funded upon issuance of the Series 1991 A Bonds,

apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1991 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1991 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1991 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 1991 A Bonds Reserve Requirement.

(5) From the moneys remaining in the Revenue Fund, the Issuer shall next, so long as the Prior Bonds are Outstanding, on the first day of each month, transfer to the Depreciation Fund established by the Prior Ordinance, a sum equal to 5% of the Gross Revenues;

(6) The Issuer shall next, commencing one month after the Prior Bonds are fully paid and no longer Outstanding, from the moneys remaining in the Revenue Fund, on the first day of each month, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in the reserve accounts established with respect to the Series 1991 A Bonds Reserve Account or the Series 1991 B Bonds Reserve Account [except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof] shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(7) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1991 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1991 B Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1991 B Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1991 B Bonds Sinking Fund and

the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(8) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1991 B Bonds, if not fully funded upon issuance of the Series 1991 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1991 B Bonds Reserve Account, an amount equal to 1/120 of the Series 1991 B Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1991 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1991 B Bonds Reserve Requirement.

(9) The Issuer shall next, each month, transfer from the Revenue Fund into the Operation and Maintenance Fund established by the Prior Ordinance and hereby continued, an amount sufficient to pay all reasonable and proper expenses of operation, maintenance and repair of the System for the current month and from which disbursements shall be made only for that purpose. If in any month for any reason there is a failure to transfer and pay the required amount into the Operation and Maintenance Fund, then the amount of any deficiency shall be added to the amount otherwise required to be transferred and paid into said Fund in the next succeeding month. Fixed annual charges, such as insurance and costs of major repairs and maintenance, may be computed and set up on an annual basis and 1/12th of the amount thereof may be accumulated in said Fund each month.

Moneys in the Series 1991 A Bonds Sinking Fund and the Series 1991 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the respective series of Bonds as the same shall become due. Moneys in the Series 1991 A Bonds Reserve Account and the Series 1991 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the respective series of Bonds, as the same shall come due, when other moneys in the attendant Sinking Fund are insufficient therefor, and for no other purpose except for permitted transfers to the Rebate Fund.

Except to the extent transferred to the Rebate Fund at the request of the Issuer, all investment earnings on moneys in the several Sinking Funds and Reserve Accounts shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Bond 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 payments, if any, due on the respective series of Bonds, and then to the next ensuing principal payments due thereon.

Except with respect to transfers to the Rebate Fund, any withdrawals from the Series 1991 A Bonds Reserve Account which result in a reduction in the balance of the Series 1991 A Bonds Reserve Account to below the Series 1991 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full to the Series 1991 A Bonds Sinking Fund for payment of debt service on the Series 1991 A Bonds and to the Series 1991 A Bonds Sinking Fund for payment of debt service on the Series 1991 A Bonds.

Except with respect to transfers to the Rebate Fund, any withdrawals from the Series 1991 B Bonds Reserve Account which result in a reduction in the balance of the Series 1991 B Bonds Reserve Account to below the Series 1991 B Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments to the Prior Bonds Sinking Fund, the Series 1991 A Bonds Sinking Fund, the Series 1991 A Bonds Reserve Account, the Renewal and Replacement Fund, the Series 1991 B Bonds Sinking Fund and the Series 1991 B Bonds Sinking Fund have been made in full.

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

The Issuer shall not be required to make any further payments into the Series 1991 A Bonds Sinking Fund, or the Series 1991 B Bonds Sinking Fund or into the Reserve Accounts therein when the aggregate amount of funds in said respective Sinking Funds and Reserve Accounts are at least equal to the aggregate principal amount of the respective Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the respective maturities thereof.

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

The payments into the Sinking Funds shall be made on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday then such payments shall be made on the next succeeding business day, and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

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

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

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in said Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into the Sinking Funds, including the Reserve Accounts therein, the Prior Bonds Sinking Fund, the Depreciation Fund and the Renewal and Replacement Fund during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

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

D. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund, the Depreciation Fund, the Renewal and Replacement Fund and the Rebate Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

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

A. From the proceeds of the Series 1991 A Bonds, there shall first be deposited with the Commission in the Series 1991 A Bonds Sinking Fund, the amount, if any, specified in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1991 A Bonds for the period commencing on the date of issuance of the Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 1991 A Bonds, there shall be deposited with the Commission in the Series 1991 A Bonds Reserve Account and from the proceeds of the Series 1991 B Bonds, there shall be deposited with the Commission in the Series 1991 B Reserve Account the respective sums, if any, set forth in the Supplemental Resolution for funding of the Reserve Accounts.

C. Next, from the proceeds of the Series 1991 A Bonds, there shall first be credited to the Bond Construction Trust Fund and then paid, any and all borrowings by the Issuer made for the purpose of temporarily financing a portion of the Costs of the Project, including interest accrued thereon to the date of such payment, not otherwise paid from funds of the Issuer.

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

E. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Bond Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Bond Construction Trust Fund set forth in the Bond Legislation. Except with respect to any transfers to the Rebate Fund, moneys in the Bond Construction Trust Fund shall be used solely to pay Costs of the Project and until so transferred or expended, are hereby pledged as additional security for the Series 1991 A Bonds, and thereafter for the Series 1991 B Bonds.

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

Except as provided in Section 6.01 hereof, disbursements from the Bond Construction Trust Fund (except for the costs of issuance of the Original Bonds which shall be made upon request of the Issuer), shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

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

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

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

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

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

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

After completion of the Project, as certified by the Consulting Engineers, the Depository Bank shall transfer any moneys remaining in the Bond Construction Trust Fund to the Series 1991 A Bonds Reserve Account, and when fully funded to the Series 1991 B Bonds Reserve Account, and when both Reserve Accounts are fully funded, shall return such remaining moneys to the Issuer for deposit in the Revenue Fund. The Issuer shall thereafter, apply such moneys

in full, first to the next ensuing interest payments, if any, due on the respective series of Bonds and thereafter to the next ensuing principal payments due thereon. Notwithstanding the foregoing, if the Authority tenders any of its Series 1991 B Bonds to the Issuer pursuant to the provisions of the Supplemental Loan Agreement, such moneys shall be applied to the purchase of such Series 1991 B Bonds.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

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

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Bonds shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Bonds, shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Bonds or the interest thereon.

Section 7.03. Bonds Secured by Subordinate Pledge of Gross Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 1991 A Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on the Gross Revenues derived from the operation of the System, junior and subordinate to the lien in favor of the Holders of the Prior Bonds and senior and prior to the lien on said Gross Revenues in favor of the Holders of the Series 1991 B Bonds. The payment of the debt service of the Series 1991 B Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on said Gross Revenues, junior and subordinate to the lien on said Gross Revenues in favor of the Holders of the Prior Bonds and the Series 1991 A Bonds. The Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Bonds and to make the payments into the Sinking Funds, including the Reserve Accounts therein, and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The initial schedule of rates and charges for the services and facilities

of the System shall be as set forth in the Order of the Public Service Commission of West Virginia entered October 29, 1990, confirming the rates established in its Recommended Decision of July 23, 1990, in Case No. 90-051-WS-MA, copies of which Order and Recommended Decision are attached hereto as EXHIBIT A.

Section 7.05. Sale of the System. Except as otherwise required by law, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease this Bond Legislation in accordance with Section 10.01 hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal at maturity of and interest on the Bonds. Any balance remaining after the payment of all the Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

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

not in excess of $50,000, shall with the written consent of the Authority, be remitted by the Issuer to the Commission for deposit in the Sinking Fund and shall be applied only to the purchase of Bonds of the last maturities then Outstanding at prices not greater than the par value thereof plus 3% of such par value or otherwise. Such payment of such proceeds into the Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of the Bonds then Outstanding and the Consulting Engineers. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and in Section 7.07B, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Bonds; provided, however, that additional Bonds on a parity with the Series 1991 B Bonds only may be issued as provided for in Section 7.07 hereof. All obligations issued by the Issuer after the issuance of the Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 1991 A Bonds and the Series 1991 B Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into the Reserve Accounts, the Depreciation Fund and the Renewal and Replacement Fund at the time of the issuance of such subordinate obligations have been made and are current.

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

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

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1991 B Bonds. No Parity Bonds shall be issued which shall be payable out of the revenues of the System on a parity with the Series 1991 A Bonds, unless the Series 1991 B Bonds are no longer outstanding.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, improvements or betterments to the System or refunding one or more series of Bonds issued pursuant hereto, or both such purposes.

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

(1) The Prior Bonds and any other obligations with a lien on the Gross Revenues prior to that of the Bonds;

(2) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the

improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the Issuer, the period for appeal of which has expired prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the City Clerk prior to the issuance of such Parity Bonds.

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

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate construction or acquisition of such additions, betterments or improvements, if any, to the System that are to be financed by such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. 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 accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 1991 A Bonds and the Series 1991 B Bonds on such revenues. The Issuer shall not issue any obligations

whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 1991 A Bonds or the Series 1991 B Bonds.

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

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

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

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

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

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

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

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds, and shall submit said report to the Authority, or any other original purchaser of the Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement and this Bond Legislation.

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Reserve Accounts and reserve accounts for

obligations prior to or on a parity with the Bonds (including the Prior Bonds) are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the 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.

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

In addition, the Issuer shall annually cause the records of the System to be audited by an independent certified public accountant, the report of which audit shall be submitted to the Authority and which audit report shall include a statement that the Issuer is in compliance with the terms and provisions of this Bond Legislation and the Loan Agreement.

Section 7.11. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the

providing of any services which would compete with services provided by the System.

Section 7.12. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

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

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

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

remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(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 said Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their 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 $100,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

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

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

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

B. The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. In the event the 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 7.15. 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 7.16. Completion of Project. The Issuer will complete the Project and operate and maintain the System in good condition.

Section 7.17. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the

Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

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

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

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

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Original Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.18. Statutory Mortgage Lien. For the further protection of the Holders of the Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Bonds and shall be for the equal benefit of all Holders of each respective series of Bonds, provided however, that the statutory mortgage lien in favor of the Holders of the Series 1991 A Bonds shall be junior and subordinate to that in favor of the Holders of the Prior Bonds, and shall be senior to the statutory mortgage lien in favor of the Holders of the Series 1991 B Bonds; and the statutory mortgage lien in favor of the Holders of the Series 1991 B Bonds shall be junior and subordinate to

that in favor of the Holders of the Prior Bonds and the Series 1991 A Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation, 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 and this Bond Legislation the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

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

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. Arbitrage. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Original Bonds which would cause the Original Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a Federal information return with respect to the Original Bonds) so that the interest on the Original Bonds will be and remain excluded from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148(f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Original Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Original Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Original Bonds are issued does not and will not exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect and applicable to the Original Bonds. For purposes of this first paragraph of Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the

Original Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Original Bonds. In the event of a failure to pay any such amount or amounts, the Issuer will pay, from any lawful sources available therefor, to the United States an amount equal to the sum of 50% of the amount not paid, plus interest at the required rate on the portion of the amount which was not paid on the required date, beginning on such date, unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

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

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Original Bonds subject to rebate.

ARTICLE IX

DEFAULT AND REMEDIES

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

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

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

(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 a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners, provided however, that all rights and remedies of the Holders of the Series 1991 A and Series 1991 B Bonds shall be subject to those of the Holders of the Prior Bonds, and provided further, however, that all rights and remedies of the Holder of the Series 1991 B Bonds shall be subject to those of the Holders of the Series 1991 A Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond, may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System 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 possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

DEFEASANCE

Section 10.01. Defeasance of Series 1991 A Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 1991 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1991 A Bonds only, the pledge of Gross Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1991 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Original Bonds from gross income for federal income tax purposes.

Series 1991 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agents at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 1991 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1991 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 1991 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1991 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior

to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

Section 10.02. Defeasance of Series 1991 B Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 1991 B Bonds, the principal due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1991 B Bonds only, the pledge of Gross Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1991 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Original Bonds from gross income for federal income tax purposes.

Series 1991 B Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agents at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date the principal installments of such Series 1991 B Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1991 B Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of said Series 1991 B Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of said Series 1991 B Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such

reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. No material modification or amendment of this Bond Legislation, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Bonds shall be made without the consent in writing of the Registered Owners of 66-2/3% or more in principal amount of the Series 1991 A Bonds or the Series 1991 B Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein respectively pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications. 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 on the Original 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, the Bonds.

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

Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict

with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided that, in the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as the Prior Bonds or any portion thereof are Outstanding.

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

Section 11.07. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

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

Passed on First Reading - April 16, 1991

Passed on Second Reading - April 29, 1991

Passed on Final Reading Following Public Hearing - May 13, 1991

Mayor

City Manager

City Clerk

CITY OF WEIRTON

Water Revenue Bonds,
Series 1991 A and Series 1991 B

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITIES, INTEREST RATES, PRINCIPAL PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 1991 A AND SERIES 1991 B OF THE CITY OF WEIRTON; AUTHORIZING AND APPROVING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS

WHEREAS, the city council (the "Governing Body") of the City of Weirton (the "Issuer"), has duly and officially enacted a bond ordinance, effective May 13, 1991 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE EXISTING WATERWORKS SYSTEM OF THE CITY OF WEIRTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $5,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1991 A AND NOT MORE THAN $1,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1991 B, PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds of the Issuer (the "Bonds"), in an aggregate principal amount not to exceed $6,000,000, to be issued in two series, the Series 1991 A Bonds to be in an aggregate principal amount of not

more than $5,000,000 (the "Series 1991 A Bonds") and the Series 1991 B Bonds to be in an aggregate principal amount of not more than $1,000,000 (the "Series 1991 B Bonds"), and has preliminarily authorized the execution and delivery of a loan agreement relating to the Series 1991 A Bonds to be dated the date of delivery of the Bonds, and a supplemental loan agreement relating to the Series 1991 B Bonds, also to be dated the date of delivery of the Bonds (sometimes collectively referred to herein as the "Loan Agreement"), by and between the Issuer and West Virginia Water Development Authority (the "Authority"), all in accordance with Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amounts, maturity dates, interest rates, interest and principal payment dates, sale prices and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the 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 and that the Loan Agreement be approved and entered into by the Issuer, that the exact principal amounts, the prices, the maturity dates, the redemption provisions, the interest rates and the interest and principal payment dates of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

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

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

(A) The Water Revenue Bonds, Series 1991 A, of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $4,784,000. The Series 1991 A Bonds shall be dated the date of delivery

thereof, shall finally mature October 1, 2016, shall bear interest at the rate of 8.10% per annum, payable semiannually on April 1 and October 1 of each year, first interest payable October 1, 1991, shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1991 A Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Loan Agreement and incorporated therein by reference.

(B) The Water Revenue Bonds, Series 1991 B, of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $216,000. The Series 1991 B Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2016, shall be interest free, shall be subject to redemption upon the written consent of the Authority, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1991 B Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Supplemental Loan Agreement and incorporated therein by reference.

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

Section 3. The Issuer does hereby authorize, approve and accept the Loan Agreement, copies of which are incorporated herein by reference, and the execution and delivery by the Mayor of the Loan Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, as Registrar (the "Registrar") for the Bonds and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, in substantially the form attached hereto, and the execution and delivery by the Mayor of the Registrar's Agreement, and the performance of the obligations

contained therein, on behalf of the Issuer are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and direct the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds.

Section 6. The Issuer does hereby appoint Bank of Weirton, Weirton, West Virginia, as Depository Bank under the Bond Ordinance.

Section 7. Series 1991 A Bonds proceeds in the amount of $484,275 shall be deposited in the Series 1991 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 1991 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 1991 A Bonds Reserve Account and Series 1991 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 1991 B Bonds Reserve Account.

Section 9. The balance of the proceeds of the Bonds shall be deposited in or credited to the Bond Construction Trust Fund for payment of Costs of the Project, including costs of issuance of the Bonds and repayment of any borrowings previously incurred for the Project.

Section 10. The Issuer hereby determines to pay, on the date of delivery of the Bonds and receipt of proceeds thereof, all borrowings of the Issuer heretofore incurred for the purpose of temporarily financing a portion of the Costs of the Project, including, but not limited to, all borrowings from the Issuer's general fund or from West Virginia Water Development Authority.

Section 11. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about May 23, 1991, to the Authority pursuant to the Loan Agreement.

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

Section 13. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond Ordinance held by the Depository Bank

in [repurchase agreements secured by a pledge of Government Obligations with the Depository Bank, and therefore the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements], until further directed in writing by the Issuer. Moneys in the Sinking Funds for the Bonds shall be invested by the Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. It will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

Section 15. The Issuer has general taxing powers to finance operations of or facilities of the nature of the Project and the System, and the Issuer and all subordinate entities reasonably expect to issue not more than $5,000,000 aggregate principal amount of tax-exempt obligations during the calendar year 1991, being the calendar year in which the Bonds are to be issued.

Section 16. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 13th day of May, 1991.

CITY OF WEIRTON

Mayor

05/13/91
WEIRB.F3
94975/91001

State of West Virginia
WATER DEVELOPMENT AUTHORITY

180 Association Drive
Charleston WV 25311-1571

Telephone (304) 558-3612
Telecopier (304) 558-0299

April 8, 1998

City of Weirton
Water Revenue Bonds, Series 1998 A
(West Virginia SRF Program)

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative for the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, the registered owner of the entire outstanding aggregate principal amount of the Series 1991 A Bonds and the Series 1991 B Bonds, hereinafter defined and described, hereby consents to the issuance of the Water Revenue Bonds, Series 1998 A (West Virginia SRF Program) (the "Bonds"), in the original aggregate principal amount of $2,190,000, by the City of Weirton (the "Issuer"), under the terms of the ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's Water Revenue Bonds, Series 1991 A (the "Series 1991 A Bonds"), and senior and prior, with respect to liens, pledge and source of and security for payment, to the Issuer's Water Revenue Bonds, Series 1991 B (the "Series 1991 B Bonds").

Authorized Representative

WRD 1A-82
Revised 4/95

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF WATER RESOURCES
1201 GREENBRIER STREET
CHARLESTON, WV 25311

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

WATER POLLUTION CONTROL PERMIT

Permit No.: WV0070971

Subject: Industrial Wastes

Issue Date: March 10, 1998

Effective Date: April 10, 1998

Expiration Date: March 9, 2003

Supersedes:WV0070971
issued 06/18/1993

Location:	Weirton (City)	Brooke (County)	Ohio (Drainage Basin)
Outlet 001 Sites:	**Latitude:** 40° 23' 22"	Mile Point 65.2	
	Longitude: 80° 37' 45"		

To whom it may concern:

This is to certify that City of Weirton
200 Municipal Plaza
Weirton, WV 26062

is hereby granted a NPDES Water Pollution Control Permit to

acquire, construct, install and operate a disposal system or parts thereof for the direct discharge of treated industrial wastes from Outlet 001 into the Ohio River in the vicinity of Mile Point 65.2.

This permit is subject to the following terms and conditions:

The information submitted on and with Permit Application Number WV0070971 dated the 27th day of February, 1997 and revised Permit Application Number WV0070971 dated the 8th October, 1997 and additional information submitted the 3rd day of November, 1997 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information were set forth herein and other conditions set forth in Sections A, B, C, D, E, F, and G.

The validity of this permit is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

(Continued on Page 2)

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

During the period beginning April 10, 1998 **and lasting through midnight,** March 9, 2003
the permittee is authorized to discharge from Outlet Number(s)001 (Treated filter backwash and decant from sludge thickener)

Such discharges shall be limited and monitored by the permittee as specified below:

	Discharge Limitations					Monitoring Requirements	
	(Quantity) lbs/day		Other Units (Specify)			Measurement	
Effluent Characteristic	Avg Monthly	Max Daily	Avg Monthly	Max Daily		Frequency	Sample Type
Flow	N/A	N/A	0.26	0.52	MGD	1/week	Estimate
Total Suspended Solids (TSS)	Monitor	Monitor	30	60	mg/l	1/week	Grab
Total Iron	Monitor	Monitor	Monitor	Monitor	mg/l	1/week	Grab
Total Aluminum	Monitor	Monitor	Monitor	Monitor	ug/l	1/week	Grab
Total Manganese	Monitor	Monitor	Monitor	Monitor	ug/l	1/month	Grab
Total Copper	Monitor	Monitor	Monitor	Monitor	ug/l	1/month	Grab
Total Zinc	Monitor	Monitor	Monitor	Monitor	ug/l	1/month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored 1/week by utilizing a grab sample.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Outlet 001, at the discharge point from new filter backwash decant tanks near the decant flowmeter.

This discharge shall not cause violation of Title 46, Series 1, Section 3, Title 46 of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

B. SCHEDULE OF COMPLIANCE:

1. The permittee shall achieve compliance with the provisions for waste treatment and the discharge limitations specified in this permit in accordance with the following schedule:

Compliance with Section A, page 2 of the permit - Effective date of permit

2. Reports of compliance or non-compliance with, and progress reports on the interim and final requirements contained in the above compliance schedule, shall be submitted no later than 14 days following each schedule date.

N/A

C. MANAGEMENT CONDITIONS

1. Duty to Comply

(a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.

(b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.

4. Permit Actions

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit conditions.

5. Property Rights

This permit does not convey any property rights of any sort or any exclusive privilege.

6. Signatory Requirements

All applications, reports, or information submitted to the Chief shall be signed and certified as required in Title 47, Series 10, Section 4.6 of the West Virginia Legislative Rules.

7. Transfers

This permit is not transferable to any person, except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Chief, within a reasonable specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
c) Inspect at reasonable times any facilities, equipment(including monitoring and control equipment), practices, or operations regulated or required under this permit; and
d) Samples or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any locations.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 22-11-12 of the Code of West Virginia.

12. Water Quality

The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the Environmental Quality Board.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Title 47, Series 11, Section 9 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.

14. Liabilities

a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed $10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
d) Nothing in C.14.a),b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 22, Article 11.

D. OPERATION AND MAINTENANCE

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems which are installed by the permittee only when the operation is necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by the WV Bureau of Public Health Regulations authorized under Chapter 16, Article 1, Public Health Laws, Code of West Virginia, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Chief may require a more highly skilled operator.

2. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

3. Bypass

a) Definitions
   (1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility: and
   (2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of D.3.c) and D.3.d) of this permit.

c) (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
   (2) If the permittee does not know in advance of the need for bypass, notice shall be submitted as required in F.2.b) of this permit.

d) Prohibition of bypass
   (1) Bypass is permitted only under the following conditions, and the Chief may take enforcement action against a permittee for bypass, unless;
      (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
      (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
      (C) The permittee submitted notices as required under D.3.c) of this permit.
   (2) The Chief may approve an anticipated bypass, after considering its adverse effects, if the Chief determines that it will meet the three conditions listed in D.3.d)(1) of this permit.

4. Upset

a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.

b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the requirements of D.4.c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.

c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:
   (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
   (2) The permitted facility was at the time being properly operated;
   (3) The permittee submitted notice of the upset as required in F.2.b) of this permit.
   (4) The permittee complied with any remedial measures required under C.3. of this permit.

d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit by the Chief, any solids, sludges, filter backwash or other pollutants (removed in the course of treatment or control of wastewaters) and which are intended for disposal within the State, shall be disposed of only in a manner and a site subject to the approval by the Chief. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Chief in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, and the intended place of disposal or use, as appropriate.

E. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

a) Permittee shall submit each month, according to the enclosed format, a Discharge Monitoring Report(DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s).

b) The required DMRs should be received no later than 20 days following the end of the reporting period and be addressed to:

Chief
Office of Water Resources
1201 Greenbrier Street
Charleston, WV 25311-1088
Attention: Engineering Branch

c) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.

d) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E"(i.e., number exceeding).

e) Specify frequency of analysis for each parameter as no. analyses/specified period (e.g. 3/month is equivalent to 3 analyses performed every calendar month.) If continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the permit, the permittee shall record the following information.

a) The date, exact place, and time of sampling or measurement;
b) The date(s) analyses were performed;
c) The individual(s) who performed the sampling or measurement;
d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
e) The analytical techniques or methods used, and
f) The results of such analyses.

Information not required by the DMR form is not to be submitted to this agency, but is to be retained as required in E.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated.
Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least three(3) years from the data of the sample, measurement, report or application. This period may be extended by request of the Chief at any time.

7. Definitions

a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.

b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

c) "Maximum daily discharge limitation" means the highest allowable daily discharge.

d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval(for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.

e) "Grab Sample" is an individual sample collected in less than 15 minutes.

f) "i-s" =immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.

g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.

h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two(2) consecutive hours during a 24-hour day, or during the operating day if flows are of shorter duration.

i) The "daily average fecal coliform" bacteria is the geometric average of all samples collected during the month.

j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.

k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.

l) "Noncontact cooling water" means the water that is contained in a leak-free system, i.e. no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels, exclusive of approved anti-fouling agents.

F. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee for any responsibilities, liabilities, or penalties established pursuant to Title 47, Series 11, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.
Attached is a copy of the West Virginia Spill Alert System for use in complying with Title 47, Series 11, Section 2 of the rules as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Agency's designated spill alert telephone number. A written submission shall be provided within five(5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

b) The following shall also be reported immediately:
   (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
   (2) Any upset which exceeds any effluent limitation in the permit; and
   (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.

c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.

d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Title 47, Series 11, Section 2.

3. Reporting Requirements

a) Planned changes. The permittee shall give notice to the Chief of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
   (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Title 47, Series 10, or
   (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. The notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under F.2. of this section.

b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural discharges must notify the Chief in writing as soon as they know or have reason to believe:
   (1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, or any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels".
      (A) One hundred micrograms per liter (100 ug/l);
      (B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitro phenol: and for 2-methyl 4,6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
      (C) Five(5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.9 of Series 10, Title 47;
      (D) The level established by the Chief in accordance with Section 6.3.g. of Series 10, Title 47;
   (2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels".
      (A) Five hundred micrograms per liter (500 ug/l);
      (B) One milligram per liter (1 mg/l) for antimony;
      (C) Ten(10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.7. of Series 10, Title 47;
      (D) The level established by the Chief in accordance with Section 6.3.g. of Series 10, Title 47;
   (3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 10, Title 47 and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
   (4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 10, Title 47 and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in F.2.a).

G. OTHER REQUIREMENTS:

1. Dewatered sludge shall be disposed of at a permitted landfill.

2. Prior to any disposal of dewatered sludge at a landfill, the permittee shall notify the Chief of the Office of Water Resources and provide written approval from the landfill.

3. A log shall be maintained on site recording the date, volume and destination of all dewatered sludge shipped from the facility.

4. Discharge of any sludge from any outlet is explicitly prohibited.

5. This permit does not allow discharge of any emergency overflow (bypass) unless it is in compliance with Condition D.3 of this permit.

6. If available, the permittee shall submit a quarterly report of analytical data collected on intake water (raw water) from the Ohio River.

7. Upon review of the information submitted under terms and conditions of this permit, the Chief may modify this permit to require additional limitations/requirements or to delete some of the monitoring requirements. This latter action will not be construed as back-sliding.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. WV0070971, dated the 27th day of February, 1997 and revised Permit Application No. WV0070971 dated the 8th October, 1997; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the Director of the Division of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0070971 dated the 27th day of February, 1997 and revised Permit Application No. WV0070971 dated the 8th October, 1997 and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Article 11, Chapter 22 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Articles 11 and 12, Chapter 22 of the Code of West Virginia and is transferable under the terms of Section 11 of Article 11.

By: Barbara E. Taylor
Chief

WRD 2A-82

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME City of Weirton
LOCATION OF FACILITY Weirton, Brooke County, WV
PERMIT NUMBER WV0070971 OUTLET NO. 001
WASTELOAD FOR MONTH OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Flow	Reported												
50050	Permit Limitation	N/A	N/A	N/A			N/A	0.26	0.52	mgd		1/week	Estimate
Total Suspended Solids	Reported												
00530	Permit Limitation	N/A	Monitor	Monitor	#/day		N/A	30	60	mg/l		1/week	Grab
Total Iron	Reported												
00980	Permit Limitation	N/A	Monitor	Monitor	#/day		N/A	Monitor	Monitor	mg/l		1/week	Grab
Total Aluminum	Reported												
01104	Permit Limitation	N/A	Monitor	Monitor	#/day		N/A	Monitor	Monitor	ug/l		1/week	Grab
Total Manganese	Reported												
11123	Permit Limitation	N/A	Monitor	Monitor	#/day		N/A	Monitor	Monitor	ug/l		1/month	Grab
Total Copper	Reported												
01119	Permit Limitation	N/A	Monitor	Monitor	#/day		N/A	Monitor	Monitor	ug/l		1/month	Grab
Total Zinc	Reported												
01094	Permit Limitation	N/A	Monitor	Monitor	#/day		N/A	Monitor	Monitor	ug/l		1/month	Grab

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME City of Weirton
LOCATION OF FACILITY Weirton, Brooke County, WV
PERMIT NUMBER WV0070971 OUTLET NO. 001
WASTELOAD FOR MONTH OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
_____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
pH	Reported												
	Permit Limitation	N/A	N/A	N/A			6.0	N/A	9.0	s.u.		1/week	Grab
00400													
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												
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	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

EMERGENCY RESPONSE SPILL ALERT SYSTEM
WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

REQUIREMENTS:

Title 47, Series 11, Section 2 of the West Virginia Legislative Rules, Environmental Protection, Water Resources - Waste Management, Effective July 1, 1994.

RESPONSIBILITY FOR REPORTING:

Each and every person who may cause or be responsible for any spill or accidental discharge of pollutants into the waters of the State shall give immediate notification to the Office of Water Resources' Emergency Notification Number, 1-800-642-3074. Such notification shall set forth insofar as possible and as soon thereafter as practical the time and place of such spill or discharge, type or types and quantity or quantities of the material or materials therein, action or actions taken to stop such spill or discharge and to minimize the polluting effect thereof, the measure or measures taken or to be taken in order to prevent a recurrence of any such spill or discharge and such additional information as may be requested by the Office of Water Resources. This also applies to spills to the waters of the State resulting from accidents to common carriers by highway, rail and water.

It shall be the responsibility of each industrial establishment or other entity discharging directly to a stream to have available the following information pertaining to those substances that are employed or handled in its operation in sufficiently large amounts as to constitute a hazard in case of an accidental spill or discharge into a public stream:

(1) Potential toxicity in water to man, animals and aquatic life;
(2) Details on analytical procedures for the quantitative estimation of such substances in water and
(3) Suggestions on safeguards or other precautionary measures to nullify the toxic effects of a substance once it has gotten into a stream.

Failure to furnish such information as required by Section 14, Article 11, Chapter 22, Code of West Virginia may be punishable under Section 24, Article 11, Chapter 22, and/or Section 22, Article 11, Chapter 22, Code of West Virginia.

It shall be the responsibility of any person who causes or contributes in any way to the spill or accidental discharge of any pollutant or pollutants into State waters to immediately take any and all measures necessary to contain such spill or discharge. It shall further be the responsibility of such person to take any and all measures necessary to clean-up, remove and otherwise render such spill or discharge harmless to the waters of the State.

When the Chief determines it necessary for the effective containment and abatement of spills and accidental discharges, the Chief may require the person or persons responsible for such spill or discharge to monitor affected waters in a manner prescribed by the Chief until the possibility of any adverse effect on the waters of the State no longer exists.

VOLUNTARY REPORTING BY LAW OFFICERS, U. S. COAST GUARD, LOCK MASTERS AND OTHERS:

In cases involving river and highway accidents where the responsible party may or may not be available to report the incident, law officers, U. S. Coast Guard, Lock Masters and other interested person(s) should make the report.

WHO TO CONTACT:

Notify the following number: 1-800-642-3074.

INFORMATION NEEDED:

- Source of spill or discharge
- Location of incident
- Time of incident
- Material spilled or discharged
- Amount spilled or discharged
- Toxicity of material spilled or discharged
- Personnel at the scene
- Actions initiated
- Shipper/Manufacturer identification
- Railcar/Truck identification number
- Container type

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

JAN 22 1993

Mr. Mike Johnson, P. E.
Department of Commerce, Labor and
Environmental Resources
Construction Assistance Branch
617 Broad Street
Charleston, WV 25301

Dear Mr. Johnson:

Please accept our apology for not responding sooner to the question raised by you concerning the SRF eligibility of the following scope of work:

- The City of Weirton proposes to upgrade waste treatment facilities at the water treatment plant through the construction of a Belt Filter Press
- Filtrate from the Belt Filter Press will be pumped to the City's wastewater treatment plant
- Dewatered sludge from the water plant will be transported to an approved landfill.

To assist us in our eligibility determination, you have provided the preliminary engineering report, plan sheets and other pertinent information.

After completing our review of the provided documentation, we have determined that the scope of work meets the interpretation made by EPA in SRF 92-3 (revised) and at Q and A II.A.22) (revised). The two references make eligible wastewater treatment facilities at drinking water facilities provided that those facilities are publicly owned and where feasible, the project to be funded will be part of a larger domestic wastewater treatment system. EPA now allows States to provide cost-effective SRF assistance to municipalities to construct separate facilities to treat municipal industrial liquid wastes at the site of municipal industrial operations such as public drinking water facilities, municipal airports and municipal power plants.

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We hope that this letter addresses your concern. Please call Mr. Les Reed at (215) 597-8821, if you have further questions.

Sincerely,

Bernard D. Sarnoski

Bernard D. Sarnoski, Chief
Program Control Section

Enclosures