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July 20 , 2005

City of Wheeling
Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

TO PERSONS ON THE ATTACHED DISTRIBUTION LIST:

Enclosed is your copy of the transcript of documentation for the above-referenced bond issue. Please briefly review this transcript before filing it and call me if you have any questions. Thank you for your help and cooperation in successfully concluding this financing.

My best regards.

Very truly yours,

John C. Stump

JCS/rmc
Enclosure
964250.00019

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City of Wheeling
Combined Waterworks and Sewerage System Revenue Bonds,
Series 2005 A (West Virginia SRF Program)

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CITY OF WHEELING

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BONDS,
SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

DATE OF CLOSING: MAY 3, 2005

BOND TRANSCRIPT

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CITY OF WHEELING

Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program)

Closing Date: May 3, 2005

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CITY OF WHEELING
COMBINED WATERWORKS AND
SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

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CITY OF WHEELING

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS SERIES 2005 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 WHEELING:

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 20 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 Wheeling (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall Counties of said State.

B. The Issuer presently owns and operates a public combined waterworks and sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the sewerage portion of the existing public waterworks and sewerage system of the Issuer, consisting of upgrades to the existing wastewater treatment facilities and the rehabilitation of the existing sewer collection system, together with all appurtenant facilities, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer (collectively, the "Project") (the existing public combined waterworks and sewerage system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System").

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund Program (the "SRF Program"), which the Authority administers pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), in the total aggregate principal amount of not more than $16,000,000 (the "Series 2005 A Bonds"), initially to be represented by a single bond, to permanently finance a portion of the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor and eligible under the SRF Program; interest, if any, upon the Series 2005 A Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2005 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF Administrative Fee (as hereafter 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 2005 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 2005 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 40 years.

F. It is in the best interests of the Issuer that its Series 2005 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 Department of Environmental Protection (the "DEP"), in form satisfactory to the Issuer, the Authority, and the DEP (the "Loan Agreement"), to be 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 the Series 2005 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's (i) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000; and (ii) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000 (collectively, the "Prior Bonds").

The Series 2005 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2005 A Bonds, the Issuer will obtain the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds have been met. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all covenants of the Prior Bonds and Prior Ordinances.

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

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition and construction of the Project and the operation of the System and issuance of the Series 2005 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of public 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 2005 A Bonds or such final order will not be subject to appeal.

J. The Project has been reviewed and determined to be technically and financially feasible 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.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2005 A 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 Series 2005 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, and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 20 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 2005 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

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

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

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

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

"Bonds" means, collectively, the Series 2005 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"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 2005 A Bonds for all or a portion of the proceeds of the Series 2005 A Bonds from the Authority and the DEP.

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

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

"DEP" means the West Virginia Department of Environmental Protection, 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.

"Depreciation Fund" means the Depreciation Fund created by the Prior Ordinances and continued hereby.

"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 any and all grants received by the Issuer for the payment of a portion of the costs of acquiring and constructing the Project.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided that, "Gross 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" 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

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

(E) in the case of a bond other than a private activity bond, 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 housing desegregation plan.

Except as provided in the following sentence, the term "Investment Property" does not include any tax-exempt bond. With respect to an issue other than an issue a part of which is a specified private activity bond (as defined in section 57(a)(5)(C) of the Code), the term "Investment Property" includes a specified private activity bond (as so defined).

"Issuer" means the City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio and Marshall 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 into, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2005 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 2005 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2005 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 2005 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 as defined in Section 148(b) of the Code, that is not a purpose investment.

"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, the SRF Administrative Fee, fees and expenses of

the Authority, fiscal agents, the Depository Bank, the Registrar and the 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.

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

"Outstanding," when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds and Prior Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond or Prior Bonds cancelled by the Bond Registrar or the registrar for Prior Bonds at or prior to said date; (ii) any Bond or Prior Bonds for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust 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; (iv) any Prior Bond deemed to have been paid in accordance with the resolution authorizing the issuance thereof; and (v) 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 Commission or other entity or authority designated as such for the Series 2005 A Bonds in the Supplemental Resolution, with the written consent of the Authority and the DEP.

"Prior Bonds" means, collectively, the Issuer's (i) Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000; and (ii) its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, including all amendments and supplements thereto, authorizing the issuance of the Prior Bonds.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that, use as a member of the general public shall not be taken into account.

"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 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 Investment Management Board 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 excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner," "Bondholder," "Holder" or any similar term 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.

"Reserve Accounts" means, collectively, the respective reserve account established for the Series 2005 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2005 A Bonds.

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

"Series 1997 Bonds" means the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, described in Section 1.02G hereof.

"Series 2003 A Bonds" means the Issuer's Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, described in Section 1.02G hereof.

"Series 2005 A Bonds" means Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), of the Issuer, authorized by this Bond Legislation.

"Series 2005 A Bonds Construction Trust Fund" means the Series 2005 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2005 A Bonds Reserve Account" means the Series 2005 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2005 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 2005 A Bonds in the then current or any succeeding year.

"Series 2005 A Bonds Sinking Fund" means the Series 2005 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking fund established for the Prior Bonds and the Series 2005 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 2005 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2005 A Bonds, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligation of the Issuer, including, without limitation, the Depreciation Fund, the Sinking Funds and the Reserve Accounts.

"System" means, collectively, the complete existing public combined waterworks and sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any and all additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, both within and without the Issuer.

"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 $18,425,000, 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 2005 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 DEP.

The cost of the Project is estimated not to exceed $18,425,000, of which approximately $16,000,000 will be obtained from proceeds of the Series 2005 A Bonds, and approximately $2,425,000 will be obtained from the proceeds of a U.S. Environmental Protection Agency Grant.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2005 A 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, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2005 A Bonds of the Issuer. The Series 2005 A Bonds shall be issued as a single bond, designated "Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program)", in the principal amount of not more than $16,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2005 A Bonds remaining after funding of the Series 2005 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2005 A Bonds, if any, shall be deposited in or credited to the Series 2005 A Bonds 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 2005 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2005 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2005 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2005 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 2005 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2005 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable,

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

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall bear interest, if any, as of the date specified in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2005 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 2005 A Bonds shall cease to be such officer of the Issuer before the Series 2005 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 2005 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 2005 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 2005 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 2005 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 2005 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 2005 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Series 2005 A Bonds.

The registered Series 2005 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 2005 A Bonds or transferring the registered Series 2005 A Bonds are exercised, all Series 2005 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2005 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 2005 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 2005 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2005 A Bonds or, in the case of any proposed redemption of Series 2005 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 2005 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, register and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the 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 2005 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 2005 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2005 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 2005 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. Such Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2005 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as the same become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2005 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2005 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 2005 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 2005 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 2005 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2005 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 WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That on this the ___ day of _____, 2005, the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall 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, 20__, as set forth on the "Debt Service Schedule" 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 be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing _____ 1, 20___, as set forth on Exhibit B attached hereto.

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 The Huntington National Bank, 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 Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority and the DEP, dated _____, 2005.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the sewerage portion of the existing public combined waterworks sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public combined waterworks and sewerage 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 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2005, and a Supplemental Resolution duly adopted by the Issuer on _____, 2005 (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, WITH THE ISSUER'S (1) COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, DATED JANUARY 23, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,940,000; AND (2) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (COLLECTIVELY, 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 Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2005 A 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 an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be

obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2005 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 comply with the rate coverage required by the ordinances authorizing the Prior Bonds, so long as the Prior Bonds are outstanding, and thereafter, sufficient to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2005 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 any other obligations outstanding on a parity with the Bonds an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and 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 WHEELING 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 the day and year first written above.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2005 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: _____, 2005.

THE HUNTINGTON NATIONAL BANK,
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

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2005 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the 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. The Loan Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Within 60 days following the Completion Date of the Project, the Issuer will file with the Authority and the DEP a schedule, the form of which will be provided by the DEP, 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 Ordinances) 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 Ordinances);

(2) Depreciation Fund (established by the Prior Ordinances);

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

(4) Series 2005 A Bonds Construction Trust Fund; and

(5) Rebate Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with and shall be held by the Commission, separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 2005 A Bonds Sinking Fund; and

(2) Series 2005 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 the Prior Ordinances and this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation and in the Prior Ordinances. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following manner order of 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 Sinking Funds for the Prior Bonds, the amounts required by the Prior Ordinances to pay

interest on the Prior Bonds; and (ii) commencing 3 months prior to the first date of payment of interest on the Series 2005 A Bonds, for which interest has not been capitalized or as required in the Loan Agreement, for deposit in the Series 2005 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2005 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 2005 A Bonds 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 Sinking Funds for the Prior Bonds, the amounts required by the Prior Ordinances to pay the principal of the Prior Bonds; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2005 A Bonds, for deposit in the Series 2005 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2005 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 2005 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, each month, transfer from the Revenue Fund and deposit in the Operation and Maintenance Fund, an amount sufficient to pay current Operating Expenses of the System.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) the amounts required by the Prior Ordinances to be deposited in the Reserve Accounts for the Prior Bonds, and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2005 A Bonds, if not fully funded upon issuance of the Series 2005 A Bonds, for deposit in the

Series 2005 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2005 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2005 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 2005 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Depreciation Fund, an amount equal to 5% of the Gross Revenues each month (as previously set forth in the Prior Ordinances and not in addition thereto), so long as the Prior Bonds are outstanding, and thereafter, an amount equal to 2 1/2% of the Gross Revenues each month, so long as the Series 2005 A Bonds are outstanding, exclusive of any payments for account of any Reserve Account. All funds in the Depreciation 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 Depreciation Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such 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 monies from the Depreciation Fund.

Monies in the Series 2005 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2005 A Bonds as the same shall become due. Monies in the Series 2005 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2005 A Bonds as the same shall come due, when other monies in the Series 2005 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2005 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2005 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2005 A Bonds Reserve Account which result in a reduction in the balance of the Series 2005 A Bonds Reserve Account to below the Series 2005 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the priority as set forth above.

As and when additional Bonds ranking on a parity with the Series 2005 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 respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2005 A Bonds Sinking Fund or into the Series 2005 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2005 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest 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 Prior Bonds and the Series 2005 A Bonds, all in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account created hereunder, and all required amounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2005 A Bonds Sinking Fund, including the Series 2005 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2005 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month), deposit with the Commission the required interest, if any, principal and reserve account payments with respect to the Series 2005 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. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission, the SRF Administrative Fee as set forth in the Schedule Y attached to the Loan Agreement.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement, 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.

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

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 and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority anytime make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

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

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 Ordinances, and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2005 A Bonds 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 monies received from the sale of the Series 2005 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2005 A Bonds, there shall first be deposited with the Commission in the Series 2005 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2005 A Bonds, there shall be deposited with the Commission in the Series 2005 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2005 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2005 A Bonds, such monies shall be deposited with the Depository Bank in the 2005 A Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof, and until expended, are hereby pledged as additional security for the Series 2005 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2005 A Bonds shall be expended as directed by the DEP.

Section 6.02. Disbursements From the Series 2005 A Bonds 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 2005 A Bonds will be expended and the disbursement procedures of 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 Series 2005 A Bonds Construction Trust Fund shall be made only after submission to, and approved 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, in compliance with the construction schedule; and

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

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

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

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

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

Pending such application, monies in the Series 2005 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2005 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 2005 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 2005 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2005 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2005 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2005 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 the Series 2005 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on the Prior Bonds and the Series 2005 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. 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 October 21, 2003, and the sewer rates approved and described in the Recommended Decision of the West Virginia Public Service Commission entered February 10, 2004, in Case No. 03-1943-S-MA, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2005 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2005 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the 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 Ordinances. Additionally, so long as the Series 2005 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 fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2005 A Bonds, immediately be remitted to the Commission for deposit in the Series 2005 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, if any, on the Series 2005 A Bonds. Any balance remaining after the payment of the Series 2005 A Bonds and the interest , if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $100,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue 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 $100,000 but not in excess of $200,000, the Issuer shall first, in writing determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation

thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Depreciation Fund. The payment of such proceeds into the Depreciation Fund shall not reduce the amounts required to be paid into such fund 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 $200,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any 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 2005 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2005 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 2005 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2005 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2005 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the 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 Project, 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 Ordinances shall be applicable. Additionally, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2005 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Ordinances).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2005 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of additions, extensions, betterments or improvements to the System or refunding any outstanding Bonds, 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 reciting the parity coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, 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, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Bond Legislation then Outstanding; and

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

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

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 2005 A 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 2005 A Bonds.

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 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 the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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 and maintenance 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 Governing Body. 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 Authority and the DEP, or any other original purchaser of the Series 2005 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2005 A Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a

summary thereof, to any Holder or Holders of the Series 2005 A Bonds and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 2005 A Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

The Issuer shall 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 and 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 and commencement of operation of the Project, the Issuer shall 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. Prior to the issuance of the Series 2005 A Bonds, 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 the 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, to comply with the rate coverage required by the Prior Ordinances, so long as the Prior Bonds are outstanding, and thereafter, sufficient (i) to

provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds; provided that, in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2005 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with the Series 2005 A 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 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services of the System described in Section 7.04 hereof.

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 DEP and 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 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 within 30 days of adoption to the Authority and the DEP and to any Holder of the Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the DEP, the Authority and 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, and forward a copy of such report to the DEP and the Authority 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 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 engineer shall certify to the Authority and 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 shall at all times provide operation and maintenance of the System in compliance with all state and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator 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 50% completion stage.

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

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such

fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the 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 of either 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 7.14. 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 2005 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 Depreciation Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Depreciation Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

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

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

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

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

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the DEP and the Issuer shall verify such insurance prior to commencement of construction. 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. Mandatory Connections. The mandatory use of the sewerage portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the

Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer shall 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 has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and has obtained all approvals for the issuance of the Series 2005 A Bonds required by State law, with all appeal periods having expired without successful appeal.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer shall provide the DEP with copies of all documents submitted to the Authority.

The Issuer shall also comply with all applicable laws, rules and regulations issued by the Authority, 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 2005 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 2005 A Bonds during the term thereof is, under the terms of the Series 2005 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 2005 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 2005 A Bonds during the term thereof is, under the terms of the Series 2005 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 2005 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 2005 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 the lesser of 5% or $5,000,000 of the Net Proceeds of the Series 2005 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2005 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 2005 A 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 Series 2005 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. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Statutory Mortgage Lien. For the further protection of the Registered Owners of the Series 2005 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 upon the delivery of the Series 2005 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Registered Owners of the Prior Bonds.

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2005 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2005 A Bonds held in "contingency" as set forth in the Schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2005 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2005 A Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest on the Series 2005 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. 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 2005 A Bonds which would cause the Series 2005 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 2005 A Bonds) so that the interest on

the Series 2005 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. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2005 A Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2005 A Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and shall be used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Authority in preparing 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 may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required,

the Issuer shall pay the required rebate amount, any and all interest, penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2005 A Bonds from gross income for federal income tax purposes.

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 and certificate with respect thereto or, if the Issuer qualifies for the small governmental issue exception to rebate, or any other exception thereto, then the Issuer shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 2005 A Bonds subject to rebate. The Issuer shall also furnish to 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 Series 2005 A 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 Series 2005 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2005 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2005 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2005 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

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

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

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 2005 A Bonds shall be on a parity with those of the Holders of the Prior 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 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 exercise.

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 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

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2005 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 the pledge of Gross Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2005 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 Series 2005 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2005 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2005 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 2005 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2005 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, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2005 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 exclusion of interest, if any, on the Series 2005 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 2005 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 2005 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. Except for the Prior Ordinances, all ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict between this Ordinance and the Prior Ordinances, the Prior Ordinances 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 the public hearing and final reading hereof.

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 Intelligencer*, a newspaper published and of general circulation in the City of Wheeling, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2005 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: - March 1, 2005

Passed on Second Reading: - March 15, 2005

Passed on Final Reading Following Public Hearing: - April 5, 2005

Mayor

City Manager

Approved and Correct As to Form:

City Attorney

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the City of Wheeling on the 5th day of April, 2005.

Dated: May 3, 2005.

[SEAL]

City Clerk

04/12/05
964250.00019

EXHIBIT A

Loan Agreement included in bond transcript as Document 3.

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 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 COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF WHEELING; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the City of Wheeling (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective April 5, 2005 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE

BONDS SERIES 2005 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 Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), of the Issuer, in an aggregate principal amount not to exceed $16,000,000 (the "Bonds" or "Series 2005 A Bonds"), and has authorized the execution and delivery of the loan agreement relating to the Series 2005 A Bonds, 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 Department of Environmental Protection (the "DEP"), all in accordance with Chapter 8, Article 20 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 Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, 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 WHEELING:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $14,500,000. The Series 2005 A Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2026, and shall bear interest at the rate of 2% per annum. The principal of and interest on the Series 2005 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007, in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2005 A Bonds. The Series 2005 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2005 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 1% of the principal amount of the Series 2005 A Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

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 authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the 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 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. 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 6. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Wheeling, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2005 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2005 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2005 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2005 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2005 A Bonds shall be deposited in or credited to the Series 2005 A Bond Construction Trust Fund as received from the DEP from time to time for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the 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 3, 2005, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 13. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. A portion of the Series 2005 Bond proceeds will be paid by the Issuer as follows: $1,325,928.67 will be paid to Progressive Bank, N.A. for credit to the Combined Waterworks and Sewerage System Design Revenue Bond, Series 2003 A and $26,744.33 will be paid to the City, all to cover preliminary costs of the Project and $549,408 will be deposited in the Series 2005 A Bonds Construction Trust Fund to cover future project invoices. All other proceeds of the Series 2005 A Bonds received at closing will be used to pay the invoices approved in the First Draw Resolution adopted April 19, 2005.

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

Adopted this 28th day of April, 2005.

By: _____
Its: Mayor

By: _____
Its: City Manager

Approved and Correct to its Form:

By: _____
Its: City Attorney

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Wheeling on the 28th day of April, 2005.

Dated: May 3, 2005.

[SEAL]

City Clerk

04/21/05
964250.00019

SRF-LP-1
(11/01/04)

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 DEPARTMENT OF ENVIRONMENTAL PROTECTION (the "DEP"), and the local government designated below (the "Local Government").

CITY OF WHEELING
(Local Government)

W I T N E S S E T H:

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 22C, Article 2 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 (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition § 66.458 (1998)) 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 acquire, construct, improve, operate and maintain a wastewater treatment project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Local 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 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, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities

as may be reasonably necessary to accomplish all of the powers and rights of the Authority and 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 and shall verify or have verified such bonds prior to commencement of construction.

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 and shall verify or have verified such insurance prior to commencement of construction. 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 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 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 shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Government shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator(s) to operate the System during the entire term of this Loan Agreement. The Local Government shall notify DEP in writing of the certified operator employed at the 50% 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 acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial

Report, the form of which is attached hereto as Exhibit B and incorporated herein by reference, and forward a copy by the 10th of each month to DEP and 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 such forms 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 and DEP 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 construction financing, 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") and the West Virginia Infrastructure and Jobs Development Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal and the Authority and 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 without successful appeal, 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 Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and DEP shall have received a certificate of the accountant 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 of execution of this Loan Agreement by the Authority or such later date as is agreed to in writing by DEP.

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 from the Fund 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 prior approval of DEP.

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

ARTICLE IV

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

4.1 The Local 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 adopted or enacted, contain provisions and covenants in substantially the form as follows:

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

(i) to pay Operating Expenses of the System;

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

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

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

Provided, that if the Local 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 a pledge of either the net or gross revenues of the System as provided in the Local Act;

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

(iii) That the Local Government shall 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 not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, provided that the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of 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 prior 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 the Authority 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 notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve 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) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing 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 West Virginia Municipal Bond Commission (the "Commission") shall serve as paying agent for all Local Bonds;

(xvii) 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 Commission the required interest, principal and reserve account 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 or electronic transfer to the Authority by the 5th day of such calendar month;

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

(xix) That the Local 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 and DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and 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;

(xx) That the Local Government shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Local Government, then the Local Government shall enter into a termination agreement with the water provider; and

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

The Local Government hereby represents and warrants that the Local Act has been or shall be duly adopted or enacted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by nationally recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit 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 DEP 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 and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Local 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 (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

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

5.4 The Local 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 charges 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 the Local Government in the terms and covenants of this Loan Agreement, 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 Act, 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 System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.7 The Local Government hereby agrees to file with the Authority and DEP 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 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Local 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 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) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by DEP if the Local Government has failed to deliver the Local Bonds to the Authority;

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

(iv) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Local 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 State 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 outstanding amount of the Loan made by the Authority and DEP is not terminated due to such non-funding on any balance of 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 of the Loan shall not be considered an event of default under this Loan Agreement.

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

CITY OF WHEELING

(SEAL)

By: _____
Its: Mayor
Date: 4-21-05

Attest:

Janice L. Jones
Its: Clerk

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, DIVISION OF WATER AND WASTE MANAGEMENT

By: _____
Its: Director
Date: 4/25/05

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Director
Date: April 20, 2005

Attest:

Barbara B Meadows
Its: Secretary-Treasurer

000832/00372
11/01/04

EXHIBIT A

FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B

MONTHLY FINANCIAL REPORT

Name of Local Government _____
Name of Bond Issue(s) _____
Type of Project _____ **Water** _____ **Wastewater**
Fiscal Year _____ **Report Month** _____

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service				
Economic Development Administration				
Other (Identify)				
_____				
_____				
4. Renewal and Replacement Fund Deposits				

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item 1 You will need a copy of the current fiscal year budget adopted by the Local Government to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Local Government according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Government.

The Local Government must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT 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 as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meaning set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing

set forth in Schedule A attached hereto as Exhibit A, and my firm[1] has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof[2], the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this ____ day of _____, ____.

_____

By _____

West Virginia License No. _____

[SEAL]

---

[1]If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

[2]If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith," at the beginning of (ix).

EXHIBIT E

SPECIAL CONDITIONS

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

B. AUDIT REQUIREMENT (Supplement to Article IV 4.1 (b) (xi)) - Effective October 1, 2003, the Local Government that receives $500,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

EXHIBIT F

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	$_____
Principal	$_____
Total:	$_____
Reserve Account:	$_____

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
180 Association Drive
Charleston, WV 25311

West Virginia Department of Environmental Protection
601 57th Street
Charleston, WV 25304

Ladies and Gentlemen:

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

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

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

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

supplemental resolution duly adopted by the Local Government on_____(collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

1. The Loan Agreement has been duly authorized by and executed on behalf of the 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 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 Local Government without the consent of the Authority and the DEP.

3. The Local Government is a duly organized and validly existing _____ _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Local Government and constitute valid and binding obligations of the Local Government, enforceable against the Local Government in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Local Government to the Authority and are valid, legally enforceable and binding special obligations of the Local Government, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $ 14,500,000
Purchase Price of Local Bonds $ 14,500,000

The Local Bonds shall bear no interest from the date of delivery to and including November 30, 2006. Commencing March 1, 2007, interest on the Local Bonds is payable quarterly, at a rate of 2% per annum. Commencing March 1, 2007, principal of the Local Bonds is payable quarterly, with an administrative fee of 1%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Local Government shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local 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 Commission. The Local Government shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

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

The Local Government may prepay the Local 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 Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

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

Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original principal amount of $20,600,000 and Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original principal amount of $1,940,000.

$14,500,000

City of Wheeling
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: May 3, 2005

Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I
06/01/2005	-	-	-	-
09/01/2005	-	-	-	-
12/01/2005	-	-	-	-
03/01/2006	-	-	-	-
06/01/2006	-	-	-	-
09/01/2006	-	-	-	-
12/01/2006	-	-	-	-
03/01/2007	147,857.00	2.000%	72,500.00	220,357.00
06/01/2007	148,596.00	2.000%	71,760.72	220,356.72
09/01/2007	149,339.00	2.000%	71,017.74	220,356.74
12/01/2007	150,086.00	2.000%	70,271.04	220,357.04
03/01/2008	150,836.00	2.000%	69,520.61	220,356.61
06/01/2008	151,591.00	2.000%	68,766.43	220,357.43
09/01/2008	152,349.00	2.000%	68,008.48	220,357.48
12/01/2008	153,110.00	2.000%	67,246.73	220,356.73
03/01/2009	153,876.00	2.000%	66,481.18	220,357.18
06/01/2009	154,645.00	2.000%	65,711.80	220,356.80
09/01/2009	155,418.00	2.000%	64,938.58	220,356.58
12/01/2009	156,196.00	2.000%	64,161.49	220,357.49
03/01/2010	156,977.00	2.000%	63,380.51	220,357.51
06/01/2010	157,761.00	2.000%	62,595.62	220,356.62
09/01/2010	158,550.00	2.000%	61,806.82	220,356.82
12/01/2010	159,343.00	2.000%	61,014.07	220,357.07
03/01/2011	160,140.00	2.000%	60,217.35	220,357.35
06/01/2011	160,940.00	2.000%	59,416.65	220,356.65
09/01/2011	161,745.00	2.000%	58,611.95	220,356.95
12/01/2011	162,554.00	2.000%	57,803.23	220,357.23
03/01/2012	163,367.00	2.000%	56,990.46	220,357.46
06/01/2012	164,183.00	2.000%	56,173.62	220,356.62
09/01/2012	165,004.00	2.000%	55,352.71	220,356.71
12/01/2012	165,829.00	2.000%	54,527.69	220,356.69
03/01/2013	166,659.00	2.000%	53,698.54	220,357.54
06/01/2013	167,492.00	2.000%	52,865.25	220,357.25
09/01/2013	168,329.00	2.000%	52,027.79	220,356.79
12/01/2013	169,171.00	2.000%	51,186.14	220,357.14
03/01/2014	170,017.00	2.000%	50,340.29	220,357.29
06/01/2014	170,867.00	2.000%	49,490.20	220,357.20
09/01/2014	171,721.00	2.000%	48,635.87	220,356.87
12/01/2014	172,580.00	2.000%	47,777.26	220,357.26
03/01/2015	173,443.00	2.000%	46,914.36	220,357.36
06/01/2015	174,310.00	2.000%	46,047.15	220,357.15
09/01/2015	175,181.00	2.000%	45,175.60	220,356.60
12/01/2015	176,057.00	2.000%	44,299.69	220,356.69
03/01/2016	176,938.00	2.000%	43,419.41	220,357.41

$14,500,000

City of Wheeling
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: May 3, 2005

Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I
06/01/2016	177,822.00	2.000%	42,534.72	220,356.72
09/01/2016	178,711.00	2.000%	41,645.61	220,356.61
12/01/2016	179,605.00	2.000%	40,752.05	220,357.05
03/01/2017	180,503.00	2.000%	39,854.03	220,357.03
06/01/2017	181,406.00	2.000%	38,951.51	220,357.51
09/01/2017	182,313.00	2.000%	38,044.48	220,357.48
12/01/2017	183,224.00	2.000%	37,132.92	220,356.92
03/01/2018	184,140.00	2.000%	36,216.80	220,356.80
06/01/2018	185,061.00	2.000%	35,296.10	220,357.10
09/01/2018	185,986.00	2.000%	34,370.79	220,356.79
12/01/2018	186,916.00	2.000%	33,440.86	220,356.86
03/01/2019	187,851.00	2.000%	32,506.28	220,357.28
06/01/2019	188,790.00	2.000%	31,567.03	220,357.03
09/01/2019	189,734.00	2.000%	30,623.08	220,357.08
12/01/2019	190,683.00	2.000%	29,674.41	220,357.41
03/01/2020	191,636.00	2.000%	28,720.99	220,356.99
06/01/2020	192,594.00	2.000%	27,762.81	220,356.81
09/01/2020	193,557.00	2.000%	26,799.84	220,356.84
12/01/2020	194,525.00	2.000%	25,832.06	220,357.06
03/01/2021	195,498.00	2.000%	24,859.43	220,357.43
06/01/2021	196,475.00	2.000%	23,881.94	220,356.94
09/01/2021	197,457.00	2.000%	22,899.57	220,356.57
12/01/2021	198,445.00	2.000%	21,912.28	220,357.28
03/01/2022	199,437.00	2.000%	20,920.06	220,357.06
06/01/2022	200,434.00	2.000%	19,922.87	220,356.87
09/01/2022	201,436.00	2.000%	18,920.70	220,356.70
12/01/2022	202,444.00	2.000%	17,913.52	220,357.52
03/01/2023	203,456.00	2.000%	16,901.30	220,357.30
06/01/2023	204,473.00	2.000%	15,884.02	220,357.02
09/01/2023	205,495.00	2.000%	14,861.66	220,356.66
12/01/2023	206,523.00	2.000%	13,834.18	220,357.18
03/01/2024	207,555.00	2.000%	12,801.57	220,356.57
06/01/2024	208,593.00	2.000%	11,763.79	220,356.79
09/01/2024	209,636.00	2.000%	10,720.83	220,356.83
12/01/2024	210,684.00	2.000%	9,672.65	220,356.65
03/01/2025	211,738.00	2.000%	8,619.23	220,357.23
06/01/2025	212,797.00	2.000%	7,560.54	220,357.54
09/01/2025	213,861.00	2.000%	6,496.55	220,357.55
12/01/2025	214,930.00	2.000%	5,427.25	220,357.25
03/01/2026	216,004.00	2.000%	4,352.60	220,356.60
06/01/2026	217,084.00	2.000%	3,272.58	220,356.58
09/01/2026	218,170.00	2.000%	2,187.16	220,357.16
12/01/2026	219,261.00	2.000%	1,096.31	220,357.31
Total	**$14,500,000.00**	-	**$3,128,561.99**	**$17,628,561.99** *

***Plus $19,553.52 one-percent administrative fee paid quarterly. Total fee paid over life of loan is $1,564,281.60.**

031609alj020304.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

04-E

Entered: February 3, 2004

FINAL
2-23-04

CASE NO. 03-1609-S-CN

CITY OF WHEELING,
26th and Main Street,
Wheeling, Ohio County.
Application for a certificate of convenience and necessity to make improvements to its wastewater collection system and treatment plant.

RECOMMENDED DECISION

On September 30, 2003, the City of Wheeling, through its Water Pollution Control Division (Utility), filed an application for a certificate of convenience and necessity to make improvements to its wastewater collection system and treatment plant.

On October 24, 2003, the Utility filed an affidavit of publication indicating that the Utility properly published its Notice of Filing in Ohio County on October 10, 2003. No protests to the application have been filed.

On October 28, 2003, the Commission referred the matter. The Commission required a decision on or before April 27, 2004.

On January 20, 2004, Staff recommended that the Commission approve the certificate on the condition that the Utility obtains approval of its plans and specifications and receive an NPDES permit from the West Virginia Department of Environmental Protection (DEP).

On January 26, 2004, the Utility indicated that it agreed with the Staff recommendation and requested that the Commission enter an order granting a certificate without a hearing.

Given the lack of protest and the agreement between the Utility and Staff, a certificate should be issued without a hearing.

FINDINGS OF FACT

1. On September 30, 2003, the Utility filed an application for a certificate of convenience and necessity to upgrade its existing

Public Ser mmission
of West Virginia

wastewater treatment facilities and to rehabilitate its existing sewer collection system. (Final Joint Staff Memorandum filed January 20, 2004).

2. The total construction cost estimate for the project is $12,935,000, which Staff viewed as reasonable for the proposed project. (Id.).

3. The total project cost is $16,925,000, or $1,266 per customer, which Staff views as reasonable for this project. (Id.).

4. The project is needed because the Utility's current system is subject to the following problems: a high infiltration/inflow rate; combined sewer overflows; existing lift stations which are inefficient and in poor condition because of age; a need to increase treatment quality; and the need to comply with a new more stringent NPDES permit. (Id.).

5. The Utility has not yet obtained approval from the DEP for the plans and specifications for the project. (Id.).

6. The Utility has not obtained a new NPDES permit from the West Virginia DEP. (Id.).

7. The plans and specifications comply with Commission rules and regulations. (Id.).

8. The project will result in an increase in operation and maintenance expenses of approximately $225,462 annually. (Id.).

9. The project is to be funded by a State Revolving Fund loan of $14,500,000, at 3% interest for twenty years, and a U.S. Environmental Protection Agency grant of $2,425,000. (Id.).

10. The Utility has received commitment letters from both sources of funds. (Id.).

11. The Commission has jurisdiction over the Utility's rates, pursuant to a protest petition filed to the municipal rate ordinance, and the case is pending as Case No. 03-1943-S-MA. (Id.).

12. Appropriate rates for the Utility both before and after the project will be determined in Case No. 03-1943-S-MA. (Id.).

13. The project is economically feasible. (Id.).

14. Staff recommended that the certificate of convenience and necessity and the proposed financing be approved conditioned upon the Utility obtaining approval of the plans and specifications and issuance of an NPDES permit from the DEP. (Id.).

15. The Utility agreed with the Staff recommendations and requested that a certificate be issued without a hearing. (See Utility Filing of January 26, 2004).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project.

2. The proposed financing is reasonable and should be approved.

3. The certificate should be issued without a hearing and contingent upon the Utility obtaining approval of its plans and specifications and the issuance of an NPDES permit from the DEP.

ORDER

IT IS, THEREFORE, ORDERED that the application filed by the Wheeling Water Pollution Control Division on December 30, 2003, for a certificate of convenience and necessity to make improvements to its wastewater collection system and treatment plant be, and hereby is, granted, subject to the following condition: the Utility shall obtain approval of its plans and specifications and receive the issuance of an NPDES permit from the West Virginia Department of Environmental Protection prior to commencing construction. The Utility shall file a copy of the new NPDES permit with the Commission as soon as it is issued.

IT IS FURTHER ORDERED that the Wheeling Water Pollution Control Division petition the Commission for its review and approval should a change occur in the scope or financing of the project.

IT IS FURTHER ORDERED that the proposed financing, consisting of a $14,500,000 loan from the State Revolving Fund, at 3% interest for twenty years, and a U.S. Environmental Protection Agency grant of $2,425,000, be, and hereby is, approved.

IT IS FURTHER ORDERED that the style of this proceeding be, and it hereby is, modified as reflected on page one of this decision.

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

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary 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, five (5) days following the expira-

tion of the fifteen (15) day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order 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:dfs
031609aa.wpd

Public Service Commission
of West Virginia
Charleston

West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
Henry Harmon, Vice Chairman
Hurricane
Dwight Calhoun
Petersburg
C. R. "Rennie" Hill, III
Beckley

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

Katy Mallory, PE
Executive Secretary

Katy.Mallory@verizon.net

June 4, 2003

Robert Herron, City Manager
City of Wheeling
1500 Chapline Street, Room 302
Wheeling, West Virginia 26003

Re: City of Wheeling
Sewer Project 2003S-750

Dear Mr. Herron:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the City of Wheeling's (the "City") preliminary application regarding its proposed project to make improvements to the existing wastewater collection and treatment system (the "Project").

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

Upon consideration of the preliminary application, the Infrastructure Council recommends that the City utilize a $2,425,000 US EPA SAP grant and pursue a $13,163,000 Clean Water State Revolving Fund loan / Water Development Authority loan and/or Private loans to fund this $15,588,000 project. Please contact the Department of Environmental Protection Office at 558-0641 and the Water Development Authority at 558-3612 for specific information on the steps the City needs to follow to apply for these funds. **Please note that this letter does not constitute funding approval from these agencies.**

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

Sincerely,

Russell L. Isaacs

Enclosure
cc: Mike Johnson, DEP (w/o enclosure)
Bernie Yonkosky, WDA (w/o enclosure)
Region X Planning & Development Council
Chester Engineers, Inc.

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 3rd day of May, 2005, 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 Wheeling (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), of the Issuer, in the principal amount of $14,500,000, numbered AR-1, issued as a single, fully registered Bond, and dated May 3, 2005 (the "Series 2005 A Bonds").

2. At the time of such receipt, the Series 2005 A Bonds had been executed by the Mayor and the City Clerk of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Series 2005 A Bonds.

3. The Issuer hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2005 A Bonds, of the sum of $2,100,722 being a portion of the principal amount of the Series 2005 A Bonds. The balance of the principal amount of the Series 2005 A Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: Barbara B Meadows
Its: Authorized Representative

CITY OF WHEELING

By: _____
Its: Mayor

04/21/05
964250.00019

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 3rd day of May, 2005, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the City of Wheeling Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), in the principal amount of $14,500,000, dated May 3, 2005 (the "Bonds"), executed by the Mayor, the City Manager and the City Clerk of the City of Wheeling (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 April 5, 2005, and a Supplemental Resolution duly adopted by the Issuer on April 28, 2005 (collectively, the "Bond Legislation");

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

(3) Executed counterparts of the loan agreement for the Series 2005 A Bonds, dated April 20, 2005 (the "Loan Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection; 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 $2,100,722, 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 as of the day and year first written above.

CITY OF WHEELING

By: _____

Its: Mayor

04/25/05
964250.00019

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $14,500,000

KNOW ALL MEN BY THESE PRESENTS: That on this the 3rd day of May, 2005, the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio and Marshall 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 FOURTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS ($14,500,000), 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 March 1, 2007, as set forth on the "Debt Service Schedule" 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 be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing March 1, 2007, 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 The Huntington National Bank, 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 Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement (the "Loan Agreement") by and among the Issuer, the Authority and the DEP, dated April 20, 2005.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the sewerage portion of the existing public combined waterworks sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public combined waterworks and sewerage 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 20 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on April 5, 2005, and a Supplemental Resolution duly adopted by the Issuer on April 28, 2005 (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, WITH THE ISSUER'S (1) COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, DATED JANUARY 23, 2003, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,940,000; AND (2) COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997, DATED JANUARY 1, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $20,600,000 (COLLECTIVELY, 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 Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2005 A 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 an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2005 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 comply with the rate coverage required by the ordinances authorizing the Prior Bonds, so long as the Prior Bonds are outstanding, and thereafter, sufficient to provide for the reasonable expenses of operation, repair and maintenance of the

System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that when the Prior Bonds are no longer outstanding and so long as there exists in the Series 2005 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 any other obligations outstanding on a parity with the Bonds an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and 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 WHEELING 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 the day and year first written above.

[SEAL]

Mayor

City Manager

SPECIMEN

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2005 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: May 3, 2005.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$ 2,100,722	May 3, 2005	(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

$14,500,000
City of Wheeling
20 Years, 2% Interest Rate, 1% Administrative Fee
Closing Date: May 3, 2005

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2005	-	-	-	-
09/01/2005	-	-	-	-
12/01/2005	-	-	-	-
03/01/2006	-	-	-	-
06/01/2006	-	-	-	-
09/01/2006	-	-	-	-
12/01/2006	-	-	-	-
03/01/2007	147,857.00	2.000%	72,500.00	220,357.00
06/01/2007	148,596.00	2.000%	71,760.72	220,356.72
09/01/2007	149,339.00	2.000%	71,017.74	220,356.74
12/01/2007	150,086.00	2.000%	70,271.04	220,357.04
03/01/2008	150,836.00	2.000%	69,520.61	220,356.61
06/01/2008	151,591.00	2.000%	68,766.43	220,357.43
09/01/2008	152,349.00	2.000%	68,008.48	220,357.48
12/01/2008	153,110.00	2.000%	67,246.73	220,356.73
03/01/2009	153,876.00	2.000%	66,481.18	220,357.18
06/01/2009	154,645.00	2.000%	65,711.80	220,356.80
09/01/2009	155,418.00	2.000%	64,938.58	220,356.58
12/01/2009	156,196.00	2.000%	64,161.49	220,357.49
03/01/2010	156,977.00	2.000%	63,380.51	220,357.51
06/01/2010	157,761.00	2.000%	62,595.62	220,356.62
09/01/2010	158,550.00	2.000%	61,806.82	220,356.82
12/01/2010	159,343.00	2.000%	61,014.07	220,357.07
03/01/2011	160,140.00	2.000%	60,217.35	220,357.35
06/01/2011	160,940.00	2.000%	59,416.65	220,356.65
09/01/2011	161,745.00	2.000%	58,611.95	220,356.95
12/01/2011	162,554.00	2.000%	57,803.23	220,357.23
03/01/2012	163,367.00	2.000%	56,990.46	220,357.46
06/01/2012	164,183.00	2.000%	56,173.62	220,356.62
09/01/2012	165,004.00	2.000%	55,352.71	220,356.71
12/01/2012	165,829.00	2.000%	54,527.69	220,356.69
03/01/2013	166,659.00	2.000%	53,698.54	220,357.54
06/01/2013	167,492.00	2.000%	52,865.25	220,357.25
09/01/2013	168,329.00	2.000%	52,027.79	220,356.79
12/01/2013	169,171.00	2.000%	51,186.14	220,357.14
03/01/2014	170,017.00	2.000%	50,340.29	220,357.29
06/01/2014	170,867.00	2.000%	49,490.20	220,357.20
09/01/2014	171,721.00	2.000%	48,635.87	220,356.87
12/01/2014	172,580.00	2.000%	47,777.26	220,357.26
03/01/2015	173,443.00	2.000%	46,914.36	220,357.36
06/01/2015	174,310.00	2.000%	46,047.15	220,357.15
09/01/2015	175,181.00	2.000%	45,175.60	220,356.60
12/01/2015	176,057.00	2.000%	44,299.69	220,356.69
03/01/2016	176,938.00	2.000%	43,419.41	220,357.41

Date	Principal	Coupon	Interest	Total P+I
06/01/2016	177,822.00	2.000%	42,534.72	220,356.72
09/01/2016	178,711.00	2.000%	41,645.61	220,356.61
12/01/2016	179,605.00	2.000%	40,752.05	220,357.05
03/01/2017	180,503.00	2.000%	39,854.03	220,357.03
06/01/2017	181,406.00	2.000%	38,951.51	220,357.51
09/01/2017	182,313.00	2.000%	38,044.48	220,357.48
12/01/2017	183,224.00	2.000%	37,132.92	220,356.92
03/01/2018	184,140.00	2.000%	36,216.80	220,356.80
06/01/2018	185,061.00	2.000%	35,296.10	220,357.10
09/01/2018	185,986.00	2.000%	34,370.79	220,356.79
12/01/2018	186,916.00	2.000%	33,440.86	220,356.86
03/01/2019	187,851.00	2.000%	32,506.28	220,357.28
06/01/2019	188,790.00	2.000%	31,567.03	220,357.03
09/01/2019	189,734.00	2.000%	30,623.08	220,357.08
12/01/2019	190,683.00	2.000%	29,674.41	220,357.41
03/01/2020	191,636.00	2.000%	28,720.99	220,356.99
06/01/2020	192,594.00	2.000%	27,762.81	220,356.81
09/01/2020	193,557.00	2.000%	26,799.84	220,356.84
12/01/2020	194,525.00	2.000%	25,832.06	220,357.06
03/01/2021	195,498.00	2.000%	24,859.43	220,357.43
06/01/2021	196,475.00	2.000%	23,881.94	220,356.94
09/01/2021	197,457.00	2.000%	22,899.57	220,356.57
12/01/2021	198,445.00	2.000%	21,912.28	220,357.28
03/01/2022	199,437.00	2.000%	20,920.06	220,357.06
06/01/2022	200,434.00	2.000%	19,922.87	220,356.87
09/01/2022	201,436.00	2.000%	18,920.70	220,356.70
12/01/2022	202,444.00	2.000%	17,913.52	220,357.52
03/01/2023	203,456.00	2.000%	16,901.30	220,357.30
06/01/2023	204,473.00	2.000%	15,884.02	220,357.02
09/01/2023	205,495.00	2.000%	14,861.66	220,356.66
12/01/2023	206,523.00	2.000%	13,834.18	220,357.18
03/01/2024	207,555.00	2.000%	12,801.57	220,356.57
06/01/2024	208,593.00	2.000%	11,763.79	220,356.79
09/01/2024	209,636.00	2.000%	10,720.83	220,356.83
12/01/2024	210,684.00	2.000%	9,672.65	220,356.65
03/01/2025	211,738.00	2.000%	8,619.23	220,357.23
06/01/2025	212,797.00	2.000%	7,560.54	220,357.54
09/01/2025	213,861.00	2.000%	6,496.55	220,357.55
12/01/2025	214,930.00	2.000%	5,427.25	220,357.25
03/01/2026	216,004.00	2.000%	4,352.60	220,356.60
06/01/2026	217,084.00	2.000%	3,272.58	220,356.58
09/01/2026	218,170.00	2.000%	2,187.16	220,357.16
12/01/2026	219,261.00	2.000%	1,096.31	220,357.31
Total	$14,500,000.00	-	$3,128,561.99	$17,628,561.99

*Plus $19,553.52 one-percent administrative fee paid quarterly. Total fee paid over life of loan is $1,564,281.60.

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 PLLC
ATTORNEYS AT LAW
Clarksburg Charleston Morgantown Martinsburg Wheeling Huntington

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

Writer's Contact Information

May 3, 2005

City of Wheeling
Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

City of Wheeling
Wheeling, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Wheeling (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $14,500,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 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 April 20, 2005, 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 Department 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 to the Authority, bearing interest at the rate of two percent (2%) per annum, with principal and interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007, and maturing December 1, 2026, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Bonds are subject to the SRF Administrative Fee equal to 1% of the principal amount of the Bonds as set forth in the Schedule "Y" attached to the Loan Agreement.

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 20 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 sewerage portion of the existing combined waterworks and sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

TERRALEX

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on April 5, 2005, as supplemented by a Supplemental Resolution duly adopted by the Issuer on April 28, 2005 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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, to enact the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer, enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the 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 in connection with the issuance and sale of the Bonds 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 Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000, and Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A, dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000, all in accordance with the terms of the Bonds and the Bond Legislation.

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. The Issuer has covenanted to comply with all such requirements. 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, 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 PLLC

04/25/05
964250.00019

CITY OF WHEELING

WHEELING, WEST VIRGINIA 26003

OFFICE OF THE CITY SOLICITOR

May 5, 2005

City of Wheeling
Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

City of Wheeling
1500 Chapline Street
Wheeling, WV 26003

WV Department of Environmental Protection
1560 Kanawha Boulevard East
Charleston, WV 25301

WV Water Development Authority
180 Association Drive
Charleston, WV 25311

Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326

Dear Reader:

I am counsel to the City of Wheeling in Ohio County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson, PLLC, as bond counsel, a loan agreement for the Bonds, dated April 20, 2005, 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 Department of Environmental Protection (the "DEP), a Bond Ordinance duly enacted by the Issuer on April 5, 2005, as supplemented by a Supplemental Resolution duly adopted by the Issuer on April 28, 2005 (collectively, the "Bond Legislation") and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia, and the Mayor, 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.

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

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

4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the 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 by which the Issuer or its properties are bound 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, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the West Virginia Department of Environmental Protection, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia. The Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, an ordinance enacted October 21, 2003 setting forth the water rates and charges for the System, and the Final Order of the Public Service Commission of West Virginia, entered on March 1, 2004, in Case No. 03-1943-S-MA, setting forth the sewer rates and charges for the System. The time for appeal of such Final Order has expired prior to the date hereof, without any appeal. The Order remains in full force and effect.

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

7. All successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon my review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, I am of the opinion that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (5) all such documents constitute valid and legal binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Sincerely,

Rosemary Humway-Warmuth
City Solicitor

RHW:jb

LAW OFFICES

ROBERT R. RODECKER

BB&T SQUARE

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ROBERT R. RODECKER
rodecker@wvdsl.net

JAMES V. KELSH
OF COUNSEL
kelshlaw@yahoo.com

May 3, 2005

City of Wheeling
Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

City of Wheeling
Wheeling, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I am special counsel to the City of Wheeling, West Virginia (the "Issuer"), in connection with certain matters before the Public Service Commission of West Virginia (the "PSC"). As such counsel, we are of the opinion that:

The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including (I) the Final Order entered on February 23, 2004 in Case No. 03-1609-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project and (ii) the Final Order entered March 1, 2004, in Case No. 03-1943-S-MA, setting forth the sewer rates and charges for the System. The time for appeal of both Final Orders has expired prior to the date hereof without any appeal. Both Final Orders remain in full force and effect.

Sincerely,

Robert R. Rodecker

Robert R. Rodecker

citywhg\03sewer\cert
opinion of psc counsel_v2

CITY OF WHEELING

WHEELING, WEST VIRGINIA 26003

OFFICE OF THE CITY SOLICITOR

May 5, 2005

City of Wheeling
1500 Chapline Street
Wheeling, WV 26003

WV Department of Environmental Protection
1560 Kanawha Boulevard East
Charleston, WV 25301

WV Water Development Authority
180 Association Drive
Charleston, WV 25311

Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326

RE: Final Title Opinion for City of Wheeling

Dear Reader:

The undersigned is counsel for the City of Wheeling (the "Issuer") in connection with a proposed project to construct improvements to the wastewater treatment facility and system in the City of Wheeling (the"Project). We provide this final title opinion on behalf of the Issuer to satisfy the requirements of the West Virginia Department of Environmental Protection (the "DEP) for the Project. Please be advised of the following:

1. We are of the opinion that the Issuer is a duly created and validly existing municipality possessed with all the powers and authority granted to municipalities under the laws of the State of West Virginia to construct, operate and maintain the Project as approved by the DEP.

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

3. We have investigated and ascertained the location of, and are familiar with the legal description of, the necessary sites, including easements and/or rights of way, required for the Project as set forth in the plans for the Project prepared by Conestoga Rovers & Associates ("CRA").

4. We have examined the records on file in the Office of the Clerk of the County Commission of Ohio County, West Virginia, the county in which the Project is to be located, and, in our opinion, the Issuer has acquired legal title or such other estate or interest in all of the necessary site components for the Project including all easements and/or rights of way, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the Project.

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

Sincerely,

Rosemary Humway-Warmuth
City Solicitor

RHW:jb

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 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. SPECIMEN BOND
17. CONFLICT OF INTEREST
18. GRANT
19. PROCUREMENT OF ENGINEERING SERVICES
20. CLEAN WATER ACT
21. EXECUTION OF COUNTERPARTS

On this 3rd day of May, 2005, we, the undersigned MAYOR, CITY MANAGER and CITY CLERK of the City of Wheeling in Ohio and Marshall Counties, West Virginia (the "Issuer"), and the undersigned COUNSEL to the ISSUER, hereby certify in connection with the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated the date hereof (the "Bonds" or the "Series 2005 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 set forth in the Bond Ordinance of the Issuer duly enacted April 5, 2005, and the Supplemental Resolution duly adopted April 28, 2005 (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 any grants, 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 monies 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 collection of the Gross Revenues or the pledge of Gross Revenues as security for the Bonds.

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, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement. The 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 the Series 2005 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997 (the "Series 1997 Bonds"), dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000 and the Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A (the "Series 2003 A Bonds"), dated January 23, 2003, issued in the original aggregate principal amount of $1,940,000 (collectively, the "Prior Bonds").

The Series 2005 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has obtained (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of

the Holders of the Prior Bonds to the issuance of the Series 2005 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the terms and provisions of the Prior Ordinances and no default exists with respect to the Prior Bonds.

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 and Jobs Development Council Approval

Charter and Rules of Procedure

Oaths of Office of Officers and Councilmembers

Public Service Commission Order Approving Sewer Rates

Affidavit of Publication of Sewer Rate Ordinance and Notice of Public Hearing

Minutes on Adoption and Enactment of Sewer Rate Ordinance

Water Rate Ordinance

Affidavit of Publication of Water Rate Ordinance and Notice of Public Hearing

Minutes on Adoption and Enactment of Water Rate Ordinance

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

Minutes on Adoption and Enactment of Bond Ordinance and Adoption of Rules of Procedure and the Supplemental Resolution

NPDES Permit

Series 1997 and Series 2003 A Bond Ordinances and Supplemental Resolutions

Consent of Progressive Bank, N.A.

Evidence of Insurance

Evidence of United States EPA Grant

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "City of Wheeling." The Issuer is a municipal corporation in Ohio and Marshall 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 6 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name			Date of Commencement of Office	Date of Termination of Office
Nick Sparachane	-	Mayor	07/01/04	06/30/08
Barry Crow	-	Councilmember	07/01/04	06/30/08
Michael Nau	-	Councilmember	07/01/04	06/30/08
Robert Henry	-	Councilmember	07/01/04	06/30/08
Vernon Seals	-	Councilmember	07/01/04	06/30/08
Brent Bush	-	Councilmember	07/01/04	06/30/08
Gloria Delbrugge	-	Councilmember	07/01/04	06/30/08

The duly appointed and acting City Manager is Robert Herron and the duly appointed and acting City Clerk is Janice L. Jones. The duly appointed and acting City Solicitor is Rosemary J. Humway-Warmuth, in Wheeling, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or

exceptions which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction and financing of the Project or the operation of 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 and Loan Agreement is in full force and effect.

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

11. RATES: The Issuer has enacted a water rate ordinance on October 21, 2003 and enacted a sewer rate ordinance which was set aside by the Final Order of the Public Service Commission of West Virginia, dated March 1, 2004, in Case No. 03-1943-S-MA, setting the sewer rates and charges for the services of the System. The time for appeal of such water rate ordinance and the Final Order has expired prior to the date hereof without any appeal, and such rates are currently effective.

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 manual signature, 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 their manual signature, and the Registrar did officially authenticate, register and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal of the Issuer is also impressed above the signatures appearing on this certificate.

13. BOND PROCEEDS: On the date hereof, the Issuer received $2,100,722 from the Authority and the DEP, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in *The Wheeling Intelligencer*, a qualified newspaper published and of general circulation in the City of Wheeling, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 5th day of April, 2005, at 7:30 p.m., at the City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the 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 ORDER: The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Final Order entered on February 23, 2004, in Case No. 03-1609-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order has expired prior to the date hereof without any appeal. Such Final Order remains in full force and effect.

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

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

include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

18. GRANT: As of the date hereof, the United States EPA Grant in the amount of $2,425,000 is in full force and effect.

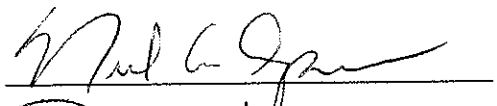
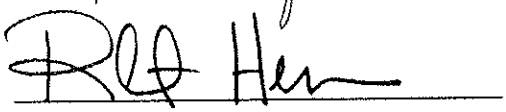
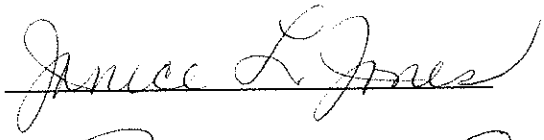
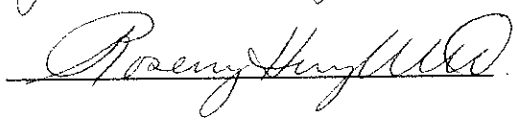
19. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Bonds.

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

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

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

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Mayor
	City Manager
	City Clerk
	Counsel to the Issuer

04/25/05
964250.00019

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

CERTIFICATE OF ENGINEER

On this 3rd day of May, 2005, I, Richard San Giacomo, Registered Professional Engineer, West Virginia License No. 13003, of Conestoga-Rovers & Associates, Pittsburgh, Pennsylvania, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain extensions, additions, betterments and improvements (the "Project") to the sewerage portion of the existing public combined waterworks and sewerage system (the "System") of the City of Wheeling (the "Issuer"), to be constructed in Ohio County, West Virginia, which acquisition and construction are being permanently 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 meaning set forth in the Bond Ordinance enacted by the Issuer on April 5, 2005, as supplemented by the Supplemental Resolution of the Issuer adopted April 28, 2005 (collectively, the "Bond Legislation"), and the Loan Agreement for the Bonds by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), dated April 20, 2005 (the "Loan Agreement").

2. The Bonds are being issued (i) to pay a portion of the costs of acquisition and construction of the Project; and (ii) to pay certain costs of issuance of the Bonds and related costs.

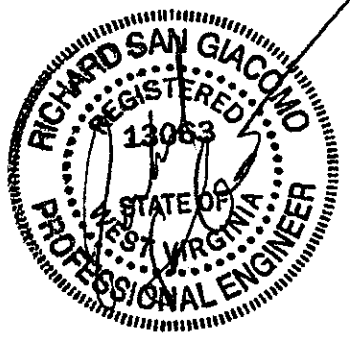
3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and the Authority and any change orders approved by the Issuer, the Authority, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and Rose Humway-Warmuth, counsel to the Issuer, will ascertain that all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds will be verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders

contain the critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) in reliance upon the certificate of the Issuer's certified public accountant, Bodkin Wilson & Kozicki PLLC, of even date herewith, as of the effective date thereof, the rates and charges for the System as enacted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other monies on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

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

CONESTOGA-ROVERS & ASSOCIATES

(SEAL)



By: _____
Richard San Giacomo, P.E.
West Virginia License No. 13003

04/21/05
964250.00019

SCHEDULE A

NAME OR GOVERNMENT AGENCY: **DEPARTMENT OF ENVIRONMENTAL PROTECTION**

ESTIMATED TOTAL COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

		A. Cost of Project		
1.	Construction	$ 13,993,708		
2.	Technical Services	$ 1,945,607		
3.	Legal and Fiscal	$ 90,000		
4.	Administrative	$ 56,000		
*5.	Site and Other Lands	$ -		
**6.	Fac. Plan/Design of OtherLoan Repayment (Specify Type:)	$ -		
7.	Interim Financing Costs	$ 80,000		
8.	Contingency (5% of construction)	$ 699,685		
9.	Miscellaneous [1]	$ -		
10.	Total of Lines 1 Through 9		$	16,865,000
		B. Sources of Funds		
11.	Federal Grants: [2] US EPA SAP Grant	$ 2,425,000		
	(Specify Sources)	$ -		
12.	State Grants: [2]	$ -		
	(Specify Sources)	$ -		
13.	Other Grants: [2]	$ -		
	(Specify Sources)	$ -		
14.	Any Other Grants: [3]	$ -		
	(Specify)	$ -		
15.	Total of Lines 11 Through 14		$	2,425,000
16.	Net Proceeds Required from Bond Issue (Line 10 minus Line 15)		$	14,440,000
		C. Cost of Financing		
17.	Bond Council [4]	$ 60,000		
18.	Funded Reserve Account: [5]	$ -		
19.	Total Cost of Financing (lines 17 + 18)		$	60,000
20.	Size of Bond Issue (Line 16 plus Line 19)		$	14,500,000

* not allowable for State Revolving Fund Assistance

** WDA loans associated with EPA grants are not allowable

Signature of Authorized Representative

Date: 4-28-05

Signature of Consulting Engineer

Date: 04-20-05

SCHEDULE B

A. COST OF PROJECT	TOTAL			SRF
1. Construction				$ 11,568,708
Contract - ALL (see attached page)	$ 13,993,708			
Contract				
Contract				
Equipment				
2. Technical Services				$ 255,307
Planning	$ 255,307			$ 600,000
Design	$ 600,000			$ 495,100
Eng. During Const.	$ 495,100			$ -
Special Services	$ -			$ 595,200
Inspection Services	$ 595,200			$ 90,000
3. Legal/Fiscal	$ 90,000			$ 56,000
4. Administrative	$ 56,000			
5. Sites & Lands				$ -
Land	$ -			$ -
ROW Activities	$ -			$ -
6. Loan Repayment	$ -			$ 80,000
7. Interim Financing	$ 80,000			$ 699,685
8. Contingency	$ 699,685			$ -
9. Miscellaneous	$ -			$ 14,440,000
10. Total (Lines 1 - 9)	$ 16,865,000			
B. SOURCE OF FUNDS				
11. Federal Grants	$ 2,425,000			$ 2,425,000
12. State Grant	$ -			$ -
13. Other Grants	$ -			$ -
14. Any Other Source	$ -			$ -
15. Total (Lines 11 - 15)	$ 2,425,000			$ 2,425,000
16. Net Proceeds from Bond Issue	$ 14,440,000			$ 14,440,000
C. COST OF FINANCING				
17. Funded Reserve				$ -
a. SRF Funded Reserve	$ -			$ -
b. Other Funded Reserve	$ -			
18. Other Costs				$ -
a. Registrar Fees	$ -			$ 60,000
b. Bond Counsel	$ 60,000			$ 60,000
19. Total Cost of Financing	$ 60,000			$ 14,500,000
20. Size of Bond Issue	$ 14,500,000			

Signature of Authorized Representative

Date: 4-28-05

Signature of Consulting Engineer

Date: 04-20-05

ADDENDUM TO SCHEDULE B

A. COST OF PROJECT	TOTAL			SRF
1. Construction				$ 649,461.50
Contract No. 1	$ 649,461.50			$ 915,259.00
Contract No. 2	$ 915,259.00			$ 883,924.08
Contract No. 4A	$ 883,924.08			$ 900,615.50
Contract No. 4B	$ 900,615.50			$ 298,671.00
Contract No. 4C	$ 298,671.00			$ 1,265,965.00
Contract No. 4D	$ 1,265,965.00			$ 844,340.54
Contract No. 4E	$ 844,340.54			$ 5,716,721.00
Contract No. 5	$ 8,141,721.00			$ 93,750.00
18th Street & Alley E	$ 93,750.00			$ 11,568,707.62
TOTAL	$ 13,993,707.62			

Construction Cost Breakdown Explanation

A. COST OF PROJECT	TOTAL	Comment:
Contract No. 1	$ 649,462	Entire contract amount of apparent low bidder, Collier Development.
Contract No. 2	$ 915,259	Entire amount of Contract 2 paid to contractor, Synagro.
Contract No. 3	$ -	Not awarded.
Contract No. 4A	$ 883,924	Entire contract amount of apparent low bidder, Rover Construction, less Engineer's estimates for the following valves: O-03, O-09, O-10, 0-15, O-17, O-37, O-37B, I-1, I-2, I-4, I-6, I-8, I-10, I-11, I-12, I-13, I-16, C-26, C-28, W-15, W-23, W-42, W-43, W-52, W-56, W-57, W-60, W-62, W-58, L-5 and L-8.
Contract No. 4B	$ 900,616	Entire estimate amount of Warwood Terrace portion of contract from apparent low bidder, Independent Enterprises.
Contract No. 4C	$ 298,671	Entire estimate amount of Waddles Run portion of contract from apparent low bidder, James White.
Contract No. 4D	$ 1,265,965	Entire contract amount of apparent low bidder, Rover Construction.
Contract No. 4E	$ 844,341	Entire contract amount of apparent low bidder, Mountainer Contractors.
Contract No. 5	$ 8,141,721	Entire contract amount of apparent low bidder, Wayne Crouse.
18th Street & Alley E	$ 93,750	Entire amount of Contract paid to contractor, Edgeco.
TOTAL	$ 13,993,708	

BODKIN WILSON & KOZICKI PLLC
CERTIFIED PUBLIC ACCOUNTANTS

John S. Bodkin, Jr., CPA
Dan E Wilson, CPA, MBA
Dennis A. Kozicki, CPA

Malcolm M. Shimp, CPA
Janet L. Roset, CPA
Nancy J. Gwynn, CPA
Kelley J. Cupp, CPA, MPA

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Wheeling, West Virginia 26003

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Fax 304 232-2322
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Weirton Office
3600 West Street, Suite 4
Weirton, West Virginia 26062

304 748-5550
Fax 304 748-5551

May 3, 2005

City of Wheeling
Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

City of Wheeling
Wheeling, West Virginia

West Virginia Water Development
Authority
Charleston, West Virginia

West Virginia Department of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the sewer rates and charges set forth in the Final Order of the Public Service Commission of West Virginia, dated March 1, 2004, in Case No. 03-1943-S-MA, and the water rate ordinance enacted by the City of Wheeling (the "Issuer") on October 21, 2003, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by the Issuer and its Consulting Engineers, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the combined waterworks and sewerage system of the Issuer (the"System"), will (i) produce Net Revenues equal to not less than the sum of (a) 125% of the Maximum Annual Debt Service on the Series 2005 A Bonds and the Prior Bonds, as hereinafter defined, in any Fiscal Year, and (b) the amount, if any, required to be deposited in the Reserve Account for any Prior Bonds (as herein defined) in order to satisfy such Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month; and (ii) pay all reasonable expenses of operation and maintenance 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 Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) (the "Bonds"), to be issued in the original aggregate principal amount of $14,500,000 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 the Bonds, including the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997 and Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A (collectively, the "Prior Bonds").

It is our further opinion that the Net Revenues actually derived from the System during the Fiscal Year preceding the date of the actual issuance of the Bonds, plus the increased annual Net Revenues expected to be received after the date of issuance of the Bonds shall not be less than 125% of the Maximum Annual Debt Service on the Bonds and Prior Bonds.

Bowles Wilson & Kozicki PLLC

Wheeling, West Virginia,
May 3, 2005.

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

CERTIFICATE AS TO ARBITRAGE

On this 3rd day of May, 2005, the undersigned Mayor of the City of Wheeling in Ohio and Marshall Counties, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of $14,500,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) (the "Bonds") of the Issuer, dated the date hereof hereby certifies 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"). I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances, and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meaning as set forth in the ordinance authorizing the Bonds duly enacted by the Issuer on April 5, 2005 (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 May 3, 2005, the date on which the Bonds are to be physically delivered in exchange for all or a portion of the principal amount of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. The Bonds were sold on May 3, 2005, to the West Virginia Water Development Authority (the "Authority"), pursuant to a loan agreement dated April 20, 2005, by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), for an aggregate purchase price of $14,500,000 (100% of par), at which time the Issuer received $2,100,723, being more than a de minimus amount of the principal 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 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 certain additions, betterments and improvements to the sewerage portion of the existing combined waterworks and sewerage system of the Issuer (the "Project"); and (ii) 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 at least 5% of the net sale proceeds of the Bonds for the construction of the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds constituting capitalized interest, if any, and proceeds deposited in the Reserve Account for the Bonds, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before August, 2006. The acquisition and construction of the Project is expected to be completed by May, 2006.

9. The total cost of the Project (including all costs of issuance of the Bonds) is estimated at $16,925,000. Sources and uses of funds for the Project are as follows:

SOURCES	
Proceeds of the Series 2005 A Bonds	$14,500,000
Proceeds of the United States EPA Grant	$ 2,425,000
Total Sources	$16,925,000
USES	
Costs of Acquisition and Construction of the Project	$16,865,000
Costs of Issuance	60,000
Total Uses	$16,925,000

The total amount of the costs of the Project is estimated to be at least equal to the gross proceeds of the Bonds and the grant set forth above. Except for the proceeds of the Bonds and the grant, 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 reasonably 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:

(1) Revenue Fund;

(2) Depreciation Fund;

(3) Operation and Maintenance Fund;

(4) Series 2005 A Bonds Construction Trust Fund;

(5) Rebate Fund;

(6) Series 2005 A Bonds Sinking Fund; and

(7) Series 2005 A Bonds Reserve Account.

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

(1) Proceeds of the Bonds in the amount of $ -0- will be deposited in the Series 2005 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2005 A Bonds during acquisition and construction of the Project and for not more than six months thereafter.

(2) Series 2005 A Bonds proceeds in the amount of $-0- will be deposited in the Series 2005 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2005 A Bonds will be deposited in the Series 2005 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2005 A Bonds and related costs.

Amounts in the Series 2005 A Bonds 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 monies are necessary for such purpose.

Except for "preliminary expenditures" as defined in Treasury Regulation §1.150-2(f)(2), none of the proceeds of the 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. Monies held in the Series 2005 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2005 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2005 A Bonds Sinking Fund and Series 2005 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2005 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

13. Except for the Series 2005 A Bonds Sinking Fund and the Series 2005 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 Series 2005 A Bonds, or which are pledged as collateral for the Series 2005 A Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Series 2005 A Bonds if the Issuer encounters financial difficulties. The Issuer does not expect that monies in the Depreciation Fund will be used or needed for payments upon the Series 2005 A 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 housing desegregation plan producing a yield in excess of the yield on the Series 2005 A Bonds have been or will be pledged to payment of the Series 2005 A Bonds. Less than 10% of the monies received from the sale of the Series 2005 A Bonds, if any, will be deposited in the Series 2005 A Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 2005 A Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal of and interest on the Series 2005 A Bonds and will not exceed 125% of average annual principal of and interest on the Series 2005 A Bonds. Amounts in the Series 2005 A Bonds Reserve Account, not to exceed 10% of the proceeds of the Series 2005 A Bonds, if invested, will be invested without yield limitation. The establishment of the Series 2005 A Bonds Reserve Account is required by the Authority, is vital to its purchase of the Series 2005 A Bonds, and is reasonably required to assure payments of debt service on the Series 2005 A Bonds.

Because amounts in the Depreciation 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 5% of the net sale proceeds of the Bonds.

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

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 2005 A Bonds Sinking Fund for payment of interest on the Bonds and the amount deposited in the Series 2005 A Bonds Reserve Account, if any, all of the proceeds of the Series 2005 A Bonds will be expended on the Project within 15 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 2005 A Bonds Sinking Fund (other than the Series 2005 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 2005 A Bonds Sinking Fund (other than the Series 2005 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 2005 A Bonds Sinking Fund (other than the Series 2005 A Bonds Reserve Account therein). Except as otherwise allowed, any money deposited in the Series 2005 A Bonds Sinking Fund for payment of the principal of or interest on the Bonds (other than the Series 2005 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 monies received from the investment of amounts held in the Series 2005 A Bonds Sinking Fund (other than in the Series 2005 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. 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.

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

25. 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.

26. 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 on the Bonds is excludable from gross income for federal income tax purposes.

27. 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.

28. 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 on the Bonds.

29. The Issuer shall comply with the yield restriction on the proceeds of the Bonds as set forth in the Code.

30. The Issuer has either (a) funded the Series 2005 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Series 2005 A Bonds in the then current or any succeeding year with the proceeds of the Series 2005 A Bonds, or (b) created the Series 2005 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2005 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Series 2005 A Bonds in the then current or any succeeding year. Monies in the Series 2005 A Bonds Reserve Account and the Series 2005 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2005 A Bonds and will not be available to pay costs of the Project.

31. 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.

32. 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.

33. 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.

34. 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.

35. 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.

36. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service Center.

42. All proceeds of the Bonds to be used for payment of costs of the Project will be expended for such purposes within 3 years.

43. 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.

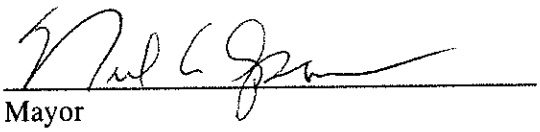
44. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

45. Steptoe & Johnson PLLC 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.

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

WITNESS my signature as of the date first written above.

CITY OF WHEELING



Mayor

04/26/05
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CHARTER

OF THE CITY OF

WHEELING

CHARTER

OF THE CITY OF

WHEELING

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P R E A M B L E

The City of Wheeling has been and remains an ideal locale in which to live, to work, and to raise a family. Its excellent schools, beautiful parks, low crime, incomparable fire department, efficient public services, and, most important, warm and friendly residents, make Wheeling a city without equal for its size.

It is the mission of the Charter Review Board, elected and empowered by the citizens of The City of Wheeling at an election held December 3, 1991, to build upon and improve our fair city, as follows:

1. To provide a leadership figure for the city, backed by the mandate of the electorate, to coordinate and advance our economic rebirth;

2. To provide for a council which is more accountable to the citizens it represents, more efficient, and more decorous in its actions;

3. To retain the city manager form of government to maintain the efficient services our citizens have enjoyed;

4. To more clearly delineate the duties, responsibilities and authorities of the administrative and legislative branches of city government; and

5. To retain unchanged and unaffected by political pressures the Wheeling Park Commission, which has provided our city with successful and beautiful parks for the enjoyment of our citizens and enrichment of our community.

In the hope that we have fulfilled our mission and our obligation, we, the Charter Review Board, have adopted and do propose to the electorate of The City of Wheeling the following charter.

SECTION 1. POWERS AND RIGHTS OF CITY AS CORPORATE BODY.

The inhabitants of the portion of the Counties of Ohio and Marshall, in the State of West Virginia, within the limits of the City of Wheeling, as they now are, or as they may hereafter be, shall be and continue a body politic and corporate, by the name and style of "The City of Wheeling," and as such, and by that name, shall have perpetual succession, and may contract and be contracted with, sue and be sued, plead or be impleaded, answer and be answered unto, and may purchase, acquire by condemnation proceedings for public use, take, receive, hold and use goods and chattels, lands and tenements and choses in action, or any interest, right or estate therein, either for the proper use of the City, or in trust for the benefit of any person or association therein; and the same may grant, sell, convey, transfer and assign, let, pledge, mortgage, charge and encumber, in any case and in any manner in which it would be lawful for private individuals so to do, except where its powers may be limited by law; and may have and use a common seal, and alter and renew the same at pleasure; and generally shall have all the rights, franchises, capacities and powers appertaining to municipal corporations in this State.

All real and personal estate, and all funds, rights, titles, taxes, credits and claims, and rights or action owned by the City of Wheeling immediately before this Charter takes effect or which are then held in trust or have been appropriated for the use or benefit of the City or of the inhabitants thereof, shall be and the same are hereby transferred to and vested in the City of Wheeling under this Charter.

SECTION 2. POWERS OF LOCAL SELF GOVERNMENT AND HOME RULE.

The City of Wheeling shall have each and every authority and power granted to it by this Charter and any power or authority heretofore conferred on it by the Legislature by general, special or local law or municipal charter or parts thereof not inconsistent with the Constitution or general law of the State. The City of Wheeling shall also have all powers granted to municipalities under the Constitution and Statutes of the State of West Virginia, including all powers of local self-government and home rule granted by Chapter 8 of the Code of West Virginia, as amended, as well as any powers and authority fairly incidental thereto or reasonably implied and within the purpose thereof. All such powers shall be exercised in the manner prescribed by this Charter and, if not prescribed herein, in such manner as shall be provided by ordinance of Council.

SECTION 3. LEGISLATIVE POWER OF COUNCIL; FINES AND PENALTIES FOR VIOLATION OF ORDINANCES.

All legislative powers of the City shall be vested, subject to the terms of this Charter and of the Constitution of the State, in the Council. The Council shall have authority to pass all ordinances necessary and proper to carry into full force and

effect any power, capacity, authority, or jurisdiction which is or shall be granted to or fixed in the City or in the Council or in any officer of the City, and to provide for the enforcement of any or all of their ordinances by reasonable fines and penalties, or by imprisoning offenders against such ordinances, or by any or all of those modes; provided, however, that no person shall be imprisoned more than 30 days or fined more than five hundred dollars for any one offense.

SECTION 4. FORM OF GOVERNMENT.

The form of government of the City of Wheeling shall be the Manager-Mayor Plan, as set forth as Plan V in W.Va. Code § 8-3-2, whereby there shall be a Council of six members, elected from such geographic districts as are hereinafter provided (hereinafter sometimes called "Wards"), which districts the Council may change, from time to time, without amending the Charter: Provided, That the change of such districts shall not take effect during the terms of office of the members of such Council making such change. There shall be a Mayor elected at large by the qualified voters of the City as hereinafter provided, who shall serve as a member and the presiding officer of the Council; and a City Manager who shall be appointed by the Council. The Council shall be the governing body. The Manager shall be the administrative authority. The Manager shall manage the affairs of the City under the supervision of the Council and shall be responsible to the Council. The Manager shall appoint or employ, in accordance with Chapter 8 of the West Virginia Code and this Charter, all subordinates and employees for whose duties or work the Manager is responsible to Council.

SECTION 5. WARDS.

(a) Wards. The City shall be divided into six wards, embracing the territory included in precincts established by the Ohio and Marshall County Commissions as of March 18, 1992, as follows:

First Ward - embracing all that territory within the City of Wheeling which is now included in Precinct Numbers 1, 2, 3, 4, 5, 7 and 24.

Second Ward - embracing all that territory within the City of Wheeling which is now included in Precinct Numbers 28, 60, 64, 65, 69, 71, 36 and 43.

Third Ward - embracing all that territory within the City of Wheeling which is now included in Precinct Numbers 100, 103, 104, 95, 87, 77 and 49.

Fourth Ward - embracing all that territory within the City of Wheeling which is now included in Precinct Numbers 9, 20 14, 16, 31, 113, 115, 116, 119 and 120.

Fifth Ward - embracing all that territory within the City of Wheeling which is now included in Precinct Numbers 122, 124, 125, 126, 127, 128, and 129.

Sixth Ward - embracing all that territory within the City of Wheeling which is now included in Precinct Numbers 1A (Marshall County Precinct No. 39), 130, 135, 134, 131, 141, 148, 137, 138 and 149.

(b) Ward boundary changes. Changes in the boundaries of the wards may be made by Council by ordinance from time to time, but in making such changes regard must be had for the compactness of the territory and in equalizing the number of inhabitants of the several wards.

(c) Ward meetings. Each member of Council shall hold a public meeting in the ward represented by that member not less than annually to hear concerns of residents of the ward.

SECTION 6. ELECTIONS.

A special City election of the Mayor and members of Council shall be held on November 3, 1992. Regular City elections of the Mayor and members of Council shall be held on the second Tuesday of May, 1996, and the second Tuesday of May of each fourth year thereafter.

The conduct of all municipal elections shall be integrated with the system of "permanent registration of voters," and those provisions of Chapter Three of the West Virginia Code that integrate county-state elections with the "permanent registration system" are hereby incorporated by reference, to the extent reasonably applicable.

Except as otherwise provided herein, the provisions of general law with respect to the method and time for the filing of certificates of candidacy, conducting elections, and determining and certifying the results of such elections, shall apply to City elections.

All City elections shall be nonpartisan. Any person who is eligible to hold and seeks to hold the office of Mayor or member of Council shall file with the City Clerk a certificate declaring candidacy for such office, accompanied by a $50 filing fee, which certificate shall be in form and effect as follows:

> I, _____, hereby certify that I am a candidate for the office of [Mayor or member of Council for the ____ Ward] of the City of Wheeling, and desire my name to be printed on the official ballot of the City of Wheeling to be voted at the election to be held on the ____ day of _____, 19__; that I am a legally qualified voter of the City of Wheeling; that my residence is _____, in the ____ Ward of the City of Wheeling; that I am eligible to hold that office; and that I am a candidate for that office in good faith.
>
> _____
> Candidate

Signed and acknowledged before me this ____ day of _____, 19__.

_____

SECTION 7. OATH OF MAYOR AND MEMBERS OF COUNCIL.

The Mayor and every member of Council, before entering upon the duties of the office, shall make before someone authorized by law to administer oaths, and file with the City Clerk an oath or affirmation to support the Constitutions of the United States and the State of West Virginia and to discharge faithfully the duties of the office to the best of the Mayor's or member's skill and judgment.

SECTION 8. COMPENSATION OF THE MAYOR AND MEMBERS OF COUNCIL.

Members of Council shall receive an annual salary of $8500, and the Mayor shall receive an annual salary equal to that of a member of Council plus 33%. Neither the Mayor nor any member of Council shall receive additional emoluments, allowances or bonuses on any account: Provided, That the Mayor and members of Council may participate at their own expense in any group insurance program offered by the City of Wheeling to its employees, consistent with the terms and requirements of such policy.

SECTION 9. TERM OF MAYOR AND COUNCIL.

The Mayor and members of Council elected on November 3, 1992, shall take office on December 1, 1992, and shall serve until June 30, 1996. The Mayor and members of Council elected in the regular municipal election on the second Tuesday of May, 1996, and every four years thereafter, shall take office on the first day of July next following, and shall serve until June 30 of the fourth following year.

SECTION 10. LIMITATION ON TERMS OF THE MAYOR.

The Mayor shall be elected to not more than two consecutive terms: Provided, That nothing herein shall be construed as preventing an incumbent Mayor from election to a Council term following the end of the Mayor's term.

SECTION 11. QUORUM, RECORDS AND MEETINGS OF COUNCIL.

Council shall hold a regular meeting on the first and third Tuesday of each month, unless that day is a legal holiday, in which case the meeting shall be held on the following Wednesday.

A majority of the members elected to the Council shall be a quorum to do business, but a less number may adjourn from time to time. All legislative action shall be by ordinance except where otherwise required by the Constitution or the laws of the State. The Council shall keep a journal of its proceedings which shall

be a public record. At the desire of any member the yeas and nays shall be entered upon the journal, and on the passage of every ordinance, the vote shall be taken by yeas and nays and entered on the journal and no ordinances shall be passed without the concurrence of a majority of the members elected to Council. Special meetings shall be held on the request of any two members upon notice to each member and as provided by rule of Council, consistent with W. Va. Code § 6-9A-3. The proceedings of the Council shall be public, except for executive session as permitted under W. Va. Code § 6-9A-4.

Except where inconsistent with his Charter, general law or ordinance, the proceedings of Council shall be governed by the rules of parliamentary procedure contained in Robert's Rules of Order, including, but not limited to, the requirement that debate must be limited to the merits of the immediately pending question; except that in a few cases the main question is also open to debate. Speakers must address their remarks to the presiding officer, be courteous in their language and deportment, never alluding to the officers or other members by name, where possible to avoid it, nor to the motives of members. It shall be the duty of the presiding officer to see that parliamentary procedure and decorum are maintained.

SECTION 12. ATTENDANCE AT COUNCIL MEETING REQUIRED FOR VOTING.

No member of Council may vote on any matter before Council unless that member is present at the time of the vote. No paired votes or absentee votes shall be permitted.

SECTION 13. ORDINANCE FORM, PASSAGE, RECORDS AND INDEX; CODIFICATION.

Except where a pressing public emergency makes complying with this provision dangerous to the public health, safety or morals, and by affirmative vote of two thirds of the members elected to Council, and where the ordinance sets out in full the nature of the emergency, a proposed ordinance shall be read by title at not less than two meetings of Council with at least one week intervening between each meeting, unless a member of Council demands that the ordinance shall be read in full at one or both meetings. If such a demand is made, the ordinance shall be read in full as demanded. No ordinance shall contain more than one subject, which shall be clearly expressed in its title, and no ordinance shall be revived or amended unless the new ordinance contains the entire ordinance revived, or the section or sections amended, and the section or sections so amended shall be repealed. Council may adopt codification ordinances, codifying, revising and rearranging the ordinances of the City or any portion of such ordinances. Every ordinance and resolution of Council shall be recorded in the office of the City Clerk, and shall be a public record. The Clerk shall prepare and keep a full and proper index of all ordinances, as well as separate indices of other proceedings of Council.

SECTION 14. PERSONAL INTEREST OF MEMBERS OF COUNCIL; EFFECT.

Any member of Council having any interest, direct or indirect, other than as a citizen of Wheeling, in any matter to be acted upon in any way by Council, shall have no vote on such matter, nor shall be privileged to take part in the discussion thereof except by unanimous consent, and, upon the request of any other member of Council, the member shall retire from the session until such matter has been disposed of.

SECTION 15. RESTRICTION ON FINAL PASSAGE OF CERTAIN ORDINANCES; USE OF STREETS, FRANCHISES.

Every ordinance, resolution or action changing the precinct boundaries or otherwise redistricting the City, or annexing any municipality or territory, or appropriating money in excess of one hundred dollars, or ordering any street improvements or sewer, or granting any franchise, or any right to occupy or use the streets, highways, bridges, or public places in the City or any part thereof, for any purpose, shall be complete in the form in which it is finally passed, and remain on file with the City Clerk for public inspection at least one week before the final passage or adoption thereof. No franchise, or right to occupy or to use the streets, highways, bridges, or public places in the City, or any part thereof, shall be granted, renewed, altered, amended, repealed or extended except by ordinance; provided, however, that nothing contained herein shall prohibit Council from empowering the City Licensing Officer from granting permits to churches, community associations and the like, for the use of portions of City streets for street fairs and fetes of similar character.

SECTION 16. SPECIFIED ORDINANCES; EFFECTIVE DATE; ELECTOR PROTEST.

No ordinance, resolution or action of the Council changing the precinct boundaries or otherwise redistricting the City, or annexing any municipality or territory, or granting to any corporation, firm, person or association, or combination of persons, any privilege, right, license, easement or franchise to establish, maintain or conduct in the City any public utility, except when otherwise required by the general laws of this State, shall go into effect before thirty days from the time of its final passage, and not then unless within two days after passage, Sundays and holidays excepted, the same shall have been published in two newspapers published and generally circulated in the City. And, if during those thirty days a petition signed by ten percent of the qualified voters of the City of Wheeling protesting against the passage of such ordinance, resolution or action, be presented to Council, the ordinance, resolution or action thereupon suspended from going into operation, and it shall be the duty of Council to reconsider the same, and if the same is not entirely repealed the Council shall submit the ordinance, resolution or action as is provided in relation to referendum of ordinances to the vote of the electors of the City, either at the next general municipal election or at a special municipal election to be called for the purpose, and such ordinance, resolution

or action shall not go into effect or become operative unless a majority of the qualified electors voting on the same shall vote in favor thereof. Such petition shall conform to the provisions of Section 81 of this Charter and shall be submitted, examined and certified in the manner provided in Section 81.

SECTION 17. ORDINANCES INITIATED BY ELECTORS; PUBLIC VOTE; PUBLICATION.

Any proposed ordinance may be submitted to the Council by petition signed by ten percent of the qualified voters of the City. Such petition shall be conformed as provided by Section 81 of this Charter, and shall be submitted, examined and certified in the manner provided in Section 81. If the petition be certified to Council as provided in Section 81 of this Charter, and contains a request that the ordinance be submitted to a vote of the people if not passed by the Council, the Council shall either (a) pass such ordinance without alteration within twenty days after attachment of the Clerk's certificate of sufficiency to the petition; or (b) forthwith after the Clerk shall attach to the petition a certificate of sufficiency, the Council shall call a special election, unless a general election is to be held within ninety days thereafter, and at such special or general municipal election such ordinance shall be submitted without alteration to the vote of the electors of the City. If a majority of the votes cast be in favor thereof, such ordinance shall thereupon become a valid and binding ordinance of the City, and any ordinance proposed by petition, or which has been adopted by a vote of the people, shall not be repealed or amended except by a majority vote of the people. Any number of proposed ordinances may be voted upon at the same election. In accordance with the provisions of this section, but there shall not be more than one special election in any period of six months for such purpose.

Whenever any ordinance or proposition is required by this Charter to be submitted to the voters of the City at any election, the City Clerk shall cause such ordinance or proposition to be published once in two daily newspapers published in the City, such publication to be not more than twenty days or less than fifteen days before such election.

SECTION 18. COUNCIL TO GRANT FRANCHISES.

Council shall have authority to grant franchises, subject to the provisions of this Charter.

SECTION 19. PUBLIC UTILITY FRANCHISES; CONDITIONS THEREOF.

Franchises, rights or privileges may be granted by the Council, allowing to persons, firms or corporations for a limited time such occupancy of portions of the streets, alleys or public grounds of the City as may be deemed by it necessary for the use of any public utility as defined by the general laws of this

State. But no such franchise, right or privilege shall hereafter be granted by the Council except under the following restrictions and conditions:

(a) To be offered at regular meeting; publication of object and nature; yea and nay vote. No ordinance granting any franchise, right or privilege, for the use of streets, alleys or public grounds of the City, shall be passed unless it shall have been first offered at a regular meeting of the Council and notice of the object, nature and full extent of such franchise, right or privilege shall have been published by the applicant once a week for four successive weeks in two newspapers of general circulation in the City of Wheeling before being acted upon. The vote thereon shall be taken by yeas and nays and the same entered upon the journal of the proceeding of the meetings of the Council. Opportunity to be heard shall be given to any interested person pursuant to W. Va. Code § 8-31-1.

(b) Period of grant; reservation of right to alter, amend or repeal. If no time be expressly provided in the grant, the franchise, right or privilege shall be granted for one year only, and in no case shall the same extend for a period exceeding fifty years. Nor shall any grant of a franchise, right or privilege be made without the reservation on the part of the City of the right to alter, amend or repeal the same at any time during its term should the grantee fail to do those things which the grant of franchise, right or privilege stipulates that the grantee shall do, or should the grantee do such things as by the grant of franchise, right or privilege the grantee is prohibited from doing; provided, that after notice by the City to the grantee specifying wherein the grantee has failed to comply with the terms of the grant, the grantee shall not within three months from the service of such notice comply with such terms.

(c) Indemnifying City and public against damage. No grant of any franchise shall be made without at the time of making it providing that the grantee shall indemnify the City against all damages caused by the construction, operation or maintenance of any works under the grant. All reasonable additional provisions and conditions may be made for the protection of the public from unnecessary damages or inconveniences by reason of such works and the maintenance of operation thereof.

(d) Consideration for grant. No grant of any franchise, right or privilege shall be made without at the time of making it providing that the City shall receive in consideration therefor proper compensation, which may be paid in such manner as Council shall deem to be in the best interest of the City.

(e) Payment of election expenses where special election required. In case a petition for stay of ordinance is presented in accordance with section sixteen, and a special election is called for the purpose of accepting or rejecting the application for a franchise, right or privilege, the applicant for same shall deposit with the City the amount of expenses of the election, which shall be applied to the payment of such expenses.

(f) Two-thirds vote of Council required. No franchise, right or privilege referred to in this section can be granted unless on

the affirmative vote of at least two-thirds of the membership of Council.

(g) Section not applicable to grant under Section 20; renewal of grants; forfeiture for non-user. The provisions of this section, however, shall not apply to grants made under Section 20 of this Charter. No renewal of any franchise, right or privilege for any such work or public utility service as is mentioned herein, granted for a period of more than three years, shall in any manner be granted until within three years of the time of its expiration. The non-user of a franchise, right or privilege in or upon any street or alley or public ground for a period continuously of one year, shall vacate and annul the same as to the portion so allowed to go into disuse.

SECTION 20. GRANTS FOR SWITCHES OR TRAMWAYS ON STREETS.

Permission may be given to a person, firm or private corporation, not engaged in conducting a public utility business, to place a switch or tramway on a part of a public street or alley, at grade, for the person's own or its own use, but the grant shall be so limited as not to exceed ten years, and a charge, in the nature of an annual rental or license charge for the same, payable to the City, may be fixed by the Council.

All grants under this section shall be subject to the following restrictions and conditions:

If no time is expressly provided in the grant, it shall be for one year only.

It shall provide that the grantee shall indemnify and save harmless the City against all suits, loss or damage, by reason of the construction or maintenance of such switch or tramway, and that the grant may be altered, amended or repealed upon satisfactory evidence that the grantee has failed to comply with its provisions. Reasonable provisions must be made to protect the public from unnecessary damage or inconvenience by reason of such switch or tramway and the operation or maintenance thereof.

SECTION 21. ASSESSMENT FOR PUBLIC IMPROVEMENT; VOTE.

No public improvement, the cost or the part of the cost of which is to be specially assessed on the owners of property, shall be made without notice to abutting owners as provided in Section 22 hereof and the concurrence of three-fourths of the members elected to the Council, unless the owners of a majority of the foot frontage to be assessed, petition in writing therefor, in which case the Council shall be authorized (a majority of the members elected thereto concurring) to ordain such improvement.

SECTION 22. NOTICE OF PROPOSED ASSESSMENTS TO ABUTTING PROPERTY OWNERS.

If the Council proposes to order and cause the grading, paving, curbing or other improving of any street or alley or the construction of any sewer or other drainage, to be paid in whole or in part by any owner of any property abutting or bounding on such street, alley, sewer or other improvement, or whose property abutting or abounding thereon may be assessed with the cost of such improvement, in whole or in part, such owner shall be given notice of such proposal in the manner prescribed by W.Va. Code § 8-18-3. Such notice shall set forth substantially the nature of the work to be proposed, the extent thereof, its location and the manner of paying for the same; and no ordinance or resolution shall be binding upon any such owner unless the required notice shall have been so given.

SECTION 23. COMMISSIONERS OF LOANS AND BOND ISSUES.

Council shall appoint such commissioners of municipal loans and bond issues as may be required by laws of the State.

SECTION 24. PROVISIONS FOR ISSUANCE OF LICENSES.

Council shall provide by ordinance for the issuing of all City licenses, the license fees, and the various kinds of licenses, and the terms, requirements and conditions upon which licenses shall be issued.

SECTION 25. CONTINUATION OF DEPARTMENTS.

The existing departments, commissions, boards and other branches of the City government are continued, unless changed by the provisions of this Charter or by ordinance of the Council. Except as established by the provisions of this Charter, the Council may change, abolish, combine and rearrange the departments, commissions, boards and other branches of the City government provided for in the administrative code, but an ordinance creating, combining, abolishing or decreasing the powers of any department, commission, board or other branch, shall require a vote of a majority plus one of the members elected to the Council.

SECTION 26. APPOINTMENTS.

As provided elsewhere in this Charter or by law, Council shall appoint the City Manager, Traffic Commission, Municipal Parking Authority, Municipal Auditorium Board, Hall of Fame Board, Ohio Valley Regional Transportation Authority, Centre Market Commission and Sign Board of Appeals; the Mayor, with the advice and consent of Council, shall appoint the Vice Mayor, Director of Finance, City Clerk, Recreation Commission, Municipal Civil Service Commission, Human Rights Commission, and Board of Zoning Appeals; the Mayor shall appoint the members of the Development Committee and the other committees of Council, and

the Mayor's Advisory Commission on Economic and Industrial Development; the City Manager shall appoint the Assistant City Manager, Police Chief, Fire Chief, Personnel Director, Licensing Officer, City Solicitor (who shall appoint the Assistant City Solicitors), Director of Development, City Engineer, Public Works Director, Director of Development, Director of Communications, Municipal Court Judge (who shall appoint the Clerk and Deputy Clerk of Municipal Court) and Temporary Judge, the Building Codes Board of Appeals and the Historic Landmarks Commission; the City Manager shall appoint the Planning Commission, to be confirmed by Council; the City Manager, FOP Local and Wheeling Chamber of Commerce shall appoint the Police Civil Service Commission; the City Manager, IAFF Local and Wheeling Chamber of Commerce shall appoint the Fire Civil Service Commission; and the City Manager and Wheeling Chamber of Commerce shall appoint the Wheeling Park Commission.

SECTION 27. SELECTION, POWERS AND DUTIES OF MAYOR.

There shall be a Mayor elected at large by the qualified voters of the City, as established by this Charter, who shall serve as a member and the presiding officer of the Council and who shall perform such other duties as provided by this Charter or by law.

SECTION 28. DEVELOPMENT COMMITTEE; MAYOR'S ADVISORY COMMISSION ON ECONOMIC AND INDUSTRIAL DEVELOPMENT.

The Mayor shall appoint and chair a committee of Council designated as the Development Committee, consisting of three members of Council, including the Mayor. The Development Committee shall consider and report to Council matters related to economic development, the use of public buildings and real estate, planning, zoning, housing and annexation.

The Mayor shall appoint and chair the Mayor's Commission on Economic and Industrial Development, consisting of eleven members, including the Mayor, the other members of the Development Committee of Council, the City Manager, and seven additional members. The Commission shall provide advice on economic and industrial development.

SECTION 29. SELECTION, POWERS AND DUTIES OF VICE-MAYOR

At the first meeting of Council in December 1992, and, thereafter, at the first meeting of Council in July following the regular municipal election, and at such other times as there may be a vacancy in the position, the Mayor shall appoint one of the members of Council as Vice-Mayor, subject to the approval of Council. The Vice-Mayor shall perform the duties of the Mayor during the Mayor's absence or disability. In the event of the death, removal or resignation of the Mayor, the Council shall choose one of its members as Mayor for the unexpired term. No additional compensation shall attach to the office of Vice-Mayor.

SECTION 30. APPOINTMENTS BY MAYOR.

The appointments to be made by the Mayor shall be made with the advice and consent of the Council, and such appointees shall serve at the pleasure of Council, except for the appointments made pursuant to Section 28 hereof.

SECTION 31. TRAFFIC COMMISSION.

There is hereby created a commission to be known as the Traffic Commission, whose duty it shall be to recommend rules and regulations concerning the parking of automobiles and other vehicles, and regulating such parking on the public thoroughfares in the City of Wheeling. Such recommendations shall be forwarded to Council in the form of ordinances, for action by Council. The Commission shall be composed of five residents of the City of Wheeling, none of whom shall be State, County or City officials, and who shall be appointed by the Mayor and shall serve at the pleasure of Council.

SECTION 32. ZONING REGULATIONS AND ENFORCEMENT THEREOF.

Consistent with the requirements of W. Va. Code § 8-24-1 et seq., for the purpose of promoting the health, safety, morals or the general welfare of the community, the Council may pass and cause to be enforced such ordinances as it shall deem necessary or proper to regulate and restrict the height, number of stories, size of buildings and other structures, percentage of lot that may be occupied, the size of yards, courts and other open spaces, the density of population, and the location and use of buildings, structures and land for trade, industry, residence or other purposes. For any or all of those purposes, Council may divide the City and the districts into such number, shape and area as may be deemed best suited to carry out the purposes of this act, and within such districts it may regulate and restrict the erection, construction, reconstruction, alteration, repair or use of buildings, structures or land. All such regulations shall be uniform for each class or kind of building throughout each district, but the regulations in one district may differ from those in other districts. Such regulations shall be made in accordance with a comprehensive plan and design to lessen the congestion, to secure safety from fire, panic or other danger, to promote health and general welfare, to provide adequate light and air, to prevent the crowding of land, to avoid undue concentration of population, and to facilitate the adequate provision for transportation, water, sewerage, schools, parks and other requirements. Such regulations shall be made with reasonable consideration being given to the character of the district and its peculiar suitability for particular uses, and with the view to conserve the value of buildings and encourage the most appropriate use of land throughout the City of Wheeling. Council shall provide for the manner in which such regulations and restrictions and the boundaries of such district shall be determined, established and enforced, and from time to time may amend, supplement or change; provided, however, that no such regulations, restrictions or boundaries shall become effective until after public hearing in relation thereto, at which parties interested and citizens shall have an opportunity to be heard. At least fifteen days' notice

of the time such regulations are to be presented shall be published in at least two newspapers published and circulated in the City of Wheeling.

Council may provide by ordinance for the enforcement of this section, or of any ordinance or regulations made thereunder. The violation of any such ordinances or regulations adopted or made, is hereby declared to be a misdemeanor, and Council may provide for the punishment by fine for any violation thereof.

In case any building or structure is erected or constructed, altered, repaired, converted or maintained, or any building, structure or land is used in violation of this section or of any ordinance or any other regulation made under authority conferred hereby, Council in addition to other remedies may in the name of the City bring an appropriate action or proceeding to prevent such unlawful erection, construction, alterations, repair, conversion, maintenance or use, and to restrain, correct or abate such violations, to prevent the occupancy of the building, structure or land, or to prevent any illegal act, conduct, business or use in or about such premises.

SECTION 33. APPROPRIATION OF PRIVATE PROPERTY; LEVIES FOR RECREATION PURPOSES; WHEELING PARK COMMISSION.

The Council may cause to be taken or damaged for the use of the City, for streets, alleys, markets, bridges, public squares, parks, playgrounds, and other municipal purposes, including occupation by sewer, water pipes, gas pipes, heating pipes, compressed air pipes and electric or other subways, any private property within the City, (but where such use is to secure or improve the water supply, or for park, playgrounds, sanitary or cemetery purposes, outside the limits of the City) but no such property shall be taken or damaged without just compensation. The compensation, if it cannot be determined by agreement with the owner of the property so taken or damaged, shall be ascertained in such manner as is or may be prescribed by general law for the condemnation of land for public purposes. In addition to all other levies provided by law, the Council of the City of Wheeling shall have the right of levy annually not to exceed five cents on each one hundred dollars of the assessed valuation of the property within the limits of the City according to the last assessment thereof for State and County purposes, for the purpose of obtaining and maintaining parks, playgrounds and recreation centers.

For the management of that play of ground heretofore known as Wheeling Park, and donated to the City of Wheeling on the eighteenth day of December, one thousand nine hundred twenty-four, for use as a municipal park, and for the management of the other parks of Wheeling there shall be, and there is hereby created a commission to be known as "Wheeling Park Commission" and the same is hereby made a body corporate, and by that name the Commission may sue and be sued; plead and be impleaded; and contract and be contracted with. The said Commission shall consist of five citizens of the City of Wheeling, who shall be appointed in the manner hereinafter set out and who shall serve without compensation and shall hold no remunerative political

office, either State, County or Municipal; and no member of the Commission shall be eligible to appointment to any remunerative office or position under the jurisdiction of the Commission. The Commissioners in office at the time this Charter becomes effective shall continue in office for the duration of the terms for which they were appointed, and thereafter their successors shall be appointed either by the Board of Directors of the Wheeling Chamber of Commerce or by the City Manager, as the case may be, which appointed the Commissioner whose place is being filled. The respective successors shall be appointed for the term of five years each, excepting that any person appointed to fill a vacancy occurring before the expiration of a term, shall serve only for the unexpired term; any Commissioner shall be eligible for reappointment; provided further, that any vacancy created either by the expiration of a term, or otherwise, shall be filled by the appointing body, either the Board of Directors of the Wheeling Chamber of Commerce, or the City Manager, as the case may be, which appointed the Commissioner whose place on the Commission is being filled. Upon the appointment of said Commission the members thereof shall elect from among their number a Chairman and a Secretary-Treasurer who shall hold office for one year and be eligible for reelection. Annually thereafter the Commission shall organize by the election of a Secretary-Treasurer and such other officers from its own number as it may deem advisable. Members of the Commission may be removed from office in the same manner as provided for the removal of County officers under Section 7, Article 6, Chapter 6 of the Code of West Virginia, 1931, as amended. The Commission shall have all and sole power necessary, convenient and advisable for the proper care, equipment and management of the said Wheeling Park and other parks heretofore and hereafter acquired by the City of Wheeling, either by gift or purchase, and shall make such rules and regulations as it shall deem expedient for the case and management thereof.

In order to provide for the purchase of the equipment for use in Wheeling Park and Oglebay Park (Waddington) and for the maintenance and upkeep of said Wheeling Park and Oglebay Park, the City Council of Wheeling shall levy annually ten cents, or lesser amount, if requested by the Commission, on each one hundred dollars of the assessed valuation of the property within the limits of the City, according to the last assessment thereof for State and County purposes. The proceeds of this ten cent levy shall be for the exclusive use of said Wheeling Park, Oglebay Park and any other parks heretofore or hereafter acquired as aforesaid by the City of Wheeling, and shall be disbursed only upon the order of the commission evidenced by warrants drawn on the City Treasurer, and signed by the Chairman and the Secretary-Treasurer of the Commission.

SECTION 34. LEVY BY CLASS FOR WHEELING PARK COMMISSION.

The annual levy referred to in the foregoing section is hereby defined in light of the Tax Limitation Amendment to the West Virginia Constitution as 1.4 cents for Class I property, 2.8 cents for Class II property, and 5.6 cents for Class IV property on each one hundred dollars of the assessed valuation of the property within the City.

SECTION 35. BOARDS AND COMMISSIONS.

In addition to those boards and commissions discussed elsewhere in this Charter, and without limitation as to those boards and commissions that may be created in the future by appropriate authority, the boards and commissions of the City of Wheeling, as established by the Codified Ordinances of the City of Wheeling, and with such authority and duties as prescribed therein or by statute, are as follows:

Planning Commission, consisting of not less than five nor more than fifteen residents of the City who are qualified by knowledge and experience in matters pertaining to the development of the City, including representatives of business, industry and labor, nominated by the City Manager and confirmed by Council, and three fifths of whom shall have been residents of the City for at least ten years prior to appointment, and one of whom shall also be a member of Council and one of whom shall also be a member of the Administrative Department of the City, whose terms shall be coextensive with the terms of office to which they have been elected or appointed, unless then City Manager or Council, at the first regular meeting of each fiscal year, appoint others to serve as the representatives.

Recreation Commission, consisting of eleven members who shall be residents of the City, and be appointed by the Mayor with the advice and approval of Council, and one or more of whom shall be a woman.

Municipal Civil Service Commission, consisting of three commissioners, appointed by the Mayor with the advice and consent of Council, and who shall be qualified voters of the City and who shall be in full sympathy with the purposes of the article of the City Code relating to civil service.

Municipal Parking Authority, consisting of five members appointed by Council, who shall be residents of the City of Wheeling or Ohio County, and one member only of whom shall be a member of Council appointed for a term which shall expire when the member's term of Council expires.

Municipal Auditorium Board, consisting of seven members appointed by Council without regard to their political affiliations, but with regard to their business and professional experience or standing as residents in the City, who shall be residents of the City, and one member only of whom shall be a member of Council appointed for a term which shall expire when the member's term of Council expires.

Hall of Fame Board, consisting of nineteen members appointed by Council without regard to their political affiliations, but with regard to their knowledge and experience relating to the various categories of persons to be honored in the Hall of Fame, who shall be residents of the

City, and one member only of whom shall be a member of Council appointed for a term which shall expire when the member's term of Council expires.

Human Rights Commission, consisting of nine members, all residents of the City and broadly representative of the several racial, religious and ethnic groups residing within the City, at least one of whom must be a licensed practicing attorney, to be appointed by the Mayor with the advice and consent of Council.

Ohio Valley Regional Transportation Authority, operated by a Board of not less than five nor more than fifteen individuals who shall be appointed for terms of three years by the governing bodies of those municipal and county governments electing to participate in the Authority, with Council to designate by ordinance a member to serve on the Board, who shall be a resident of the City, and who may be a member of Council.

Historic Landmarks Commission, consisting of five members appointed by the City Manager, who shall be residents of the City, a majority of whom shall have demonstrated special interest, experience or education in history, architecture, planning, real estate or law, and at least one of whom shall be a member of Council, whose term shall expire at the same time as the expiration of the member's term of Council.

Centre Market Commission, consisting of five members, appointed by Council, who shall be residents of the City.

Police and Fire Civil Service Commissions, as provided in Articles 14 and 15 of Chapter 8 of the West Virginia Code.

Board of Zoning Appeals, consisting of five residents of the City appointed by the Mayor with the consent of Council, three of whom shall have been residents of the City for at least ten years preceding the date of their appointment, and none of whom shall be members of the Planning Commission or hold any elective or appointive office in the City or Ohio County.

Sign Board of Appeals, consisting of five members, to be appointed by Council, and who shall be residents of the City, and holding no elective or appointed office in the City or Ohio County. Appeal from any decision of the Sign Board shall be by certiorari to the Circuit Court of Ohio County, and there shall be no appeal to Council.

Building Codes Board of Appeals, consisting of five members, appointed by the City Manager, and who shall have been residents of the City for at least one year prior to appointment, with each member to serve five years, or until a successor has been appointed. Each member shall be a licensed professional engineer or architect; or a builder or superintendent of building construction, or a plumbing contractor or superintendent of plumbing systems construc-

tion, with at least ten years' experience, five of which shall have been in responsible charge of work. Not more than two members shall be from the same profession or occupation, and at least one professional engineer shall be a licensed structural or civil engineer with architectural engineering experience; at least one professional engineer shall be a mechanical engineer or a civil engineer with mechanical engineering experience. The City Manager shall also appoint two alternate members who shall be called by the board chairperson to hear appeals during the absence or disqualification of a member. Alternate members shall possess the qualifications required for board membership, and shall be appointed for five years or until a successor has been appointed.

SECTION 36. APPOINTMENT, REMOVAL AND QUALIFICATIONS OF CITY MANAGER.

The City Manager shall be appointed by Council, and shall serve at the pleasure of Council: Provided, That the removal of the City Manager shall require a vote of a majority plus one of the members elected to Council: Provided, further, That if removed at any time after the Manager has served six months, the Manager may demand written charges and the right to be heard thereon at a public meeting of the Council prior to the date on which the final removal shall take effect, but pending and during that hearing the Council may suspend the Manager from office. The action of suspending or removing the City Manager shall be final, it being the intention of this Charter to vest all authority and fix all responsibility for such suspension or removal in the Council. The Council may designate some other officer of the City to perform the duties of the City Manager during the Manager's absence or disability. No person shall be eligible to the office of City Manager who has been convicted of bribery or perjury or a felony or other infamous crime. The Council shall appoint a City Manager solely on the basis of the Manager's executive and administrative qualifications, and the Manager need not be a resident of the City or State when appointed. Neither the Mayor nor any member of Council shall be chosen as City Manager.

SECTION 37. CITY MANAGER, OATH, BOND.

Before entering upon the duties of City Manager, the manager shall make, before someone authorized by law to administer oaths, and file with the City Clerk an oath of affirmation to support and defend the Constitution of the United States and of this State and to perform the duties of the office faithfully, honestly and to the best of the manager's skill and judgment. Before entering unto the discharge of the duties of the office, the City Manager shall give a good and sufficient bond, payable to the City in such amount as may be prescribed by Council but not less than ten thousand dollars, conditioned upon the faithful performance of the Manager's duties, and with a corporate surety authorized to do business within the State; and such bond shall be filed with the City Clerk after being approved as to form and surety by a judge of the Circuit Court of Ohio County. The premium on such bond shall be payable by the City.

SECTION 38. CITY MANAGER, POWERS AND DUTIES GENERALLY.

It shall be the duty of the City Manager to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City, except as otherwise specifically provided in this Charter; to see that the orders, bylaws, ordinances, acts and resolutions of the Council thereof are faithfully executed and enforced; and to see that the laws of the State are enforced within the corporate limits of the City. It shall also be the duty of the City Manager to make all appointments and removals in the administrative and executive services except as otherwise provided in this Charter, and those appointments and removals shall be made exclusively by theCity Manager without the consultation, advice or approval of the Council or any member thereof; to recommend from time to time to the Council such measures as the Manager may deem necessary for the welfare of the City; to keep the Council advised of the financial condition and future needs of the City; to prepare and submit to the Council the annual budget estimate; to prepare and submit to the Council such reports as may be required by that body, and to perform such other duties as may be prescribed by this Charter or required by ordinance or resolution of the Council. The City Manager shall be responsible to the Council for the proper administration of the affairs of the City by the Manager's subordinates. Except as otherwise provided in this Charter, all other executive and administrative powers conferred by the laws of the State upon any municipal official shall be exercised by the City Manager or persons designated by the Manager. The City Manager shall be vested with discretion in the performance of the Manager's duties, and shall not be subject to direction or control by any member of the Council or any other person or persons. The City Manager shall have the power to remove any officer whom the Manager may appoint, or any employee of the City for whose duties or work the Manager is responsible, unless otherwise provided in this Charter.

SECTION 39. CITY MANAGER CONTRACTS; RATIFICATION

The City Manager shall negotiate and enter into all contracts upon behalf of the City except those of the Park Commission of the City of Wheeling, and as otherwise provided in this Charter or by ordinance. Such contracts to be negotiated and entered into by the City Manager shall be within the limits of the budget, as determined by the purpose and subject matters of the contracts. If any such contract involves the expenditure of more than five thousand dollars, or the performance thereof extends beyond the budget year, or involves the expenditure of money not within the budget, such contract must be ratified by Council, by an ordinance. The City Manager shall report in writing to Council any negotiations and the terms of the contracts requiring their ratification, and the Council may in such cases, alter, amend, ratify or reject any such contract. Any contract executed by the City Manager on behalf of the City in violation of the terms of this section shall not be binding upon the City.

SECTION 40. EXECUTIVE AND ADMINISTRATIVE OFFICIALS; QUALIFICATIONS, BOND, COMPENSATION.

The duties assigned to administrative officers shall be exercised under the supervision of the Manager. In all cases required by ordinance or in which the manager may deem it advisable, the City Manager shall take of any person appointed a bond, payable to the City of Wheeling conditioned on the faithful performance of the person's duties, and in such amount as the City Manager shall deem requisite. Such bonds shall be filed with the City Clerk. No person shall be appointed in the executive or administrative services of the City who has been convicted of bribery, perjury, felony or other infamous crime. But residence within the City at the time of such appointment shall not be a necessary qualification for appointment unless the Constitution of the State shall provide otherwise. If the City Manager or any other officer of the City shall be a member, manager, officer or stockholder of any partnership, business, firm or corporation, which by contract furnishes material and supplies to the City or to any workman or contractor for the City, that shall not of itself constitute a disqualification for office under this Charter. Unless otherwise provided by this Charter or by ordinance, the City Manager shall fix the compensation for all persons in the executive and administrative services of the City, within the limits and terms of the budget.

SECTION 41. COUNCIL SEATS FOR CITY OFFICERS; RIGHTS.

The City Manager and such other officers of the City as may be designated by vote of Council, shall be entitled to seats in the Council. None of those officials shall have a vote in the Council, but the City Manager shall have the right to discuss any matter coming before the Council and the other officers shall be entitled to discuss any matter before the Council relating to their respective departments and offices.

SECTION 42. POLITICAL ACTIVITIES, CONTRIBUTIONS BY OFFICERS, EMPLOYEES; PENALTY.

No person in the executive or administrative services shall directly or indirectly give, solicit or receive, or in any manner be concerned in giving, soliciting or receiving any assignment, subscription, or contribution for any political party or for any candidate. No person in the executive or administrative services of the City shall be an officer or member of any political committee, nor shall such person take an active part in any political campaign. Any violation of this section shall operate to forfeit the office or position held by the person violating the same and shall render any such person ineligible to any municipal office or position for a period of one year.

SECTION 43. APPOINTMENT, REMOVAL OF OFFICERS, EMPLOYEES; RESTRICTIONS ON COUNCIL.

Neither the Council nor any of its committees or members shall interfere in any way with the appointment or removal of any

of the officers or employees in the executive or administrative services. Except for the purpose of inquiry, the Council and its members shall deal with that part of the executive and administrative services for which the City Manager is responsible solely through the City Manager.

SECTION 44. CITY CLERK.

The Mayor, with the advice and consent of Council, shall appoint a City Clerk, to serve at the pleasure of Council. The Clerk shall be charged with the responsibility of keeping the journal of the proceedings of the Council and other municipal records. The City Clerk shall be clerk of, and provide necessary clerical and stenographic services to the Council, its committees, the Civil Service Commissions, and the other Boards and Commissions of the City listed in the Charter.

SECTION 45. CITY DIRECTOR OF FINANCE.

The Mayor, with the advice and consent of Council, shall appoint a City Director of Finance, to serve at the pleasure of Council, and who shall serve as chief financial advisor to the Council and City Manager. The City Director of Finance shall perform the duties as may be prescribed by ordinance and law, consistent with the office.

SECTION 46. ASSISTANT CITY MANAGER.

The Assistant City Manager shall be appointed by the City Manager, and shall serve at the pleasure of the City Manager. The Assistant City Manager shall perform the duties of the City Manager during the Manager's absence, illness or disability, unless Council designates some other person perform such duties, and shall perform such other duties as directed by the City Manager or required by law. The City Manager shall have the discretion to designate some employee of the City having other duties as Assistant City Manager.

SECTION 47. CHIEFS OF POLICE AND FIRE DEPARTMENTS.

The City Manager shall appoint, among other heads of departments, the Chief of Police and the Chief of the Fire Department. The Chief of Police and the Chief of the Fire Department shall hold their offices at the pleasure of the City Manager.

SECTION 48. CITY SOLICITOR; ASSISTANT CITY SOLICITORS.

The City Manager shall appoint a City Solicitor, who need not be a resident of the City of Wheeling. No person shall be eligible to the office who is not an attorney-at-law, duly admitted to practice in this State. The solicitor shall serve the Council, officers, commissioners, and Boards of the City as legal counsel and attorney, and shall represent the City in all pro-

ceedings in court. The solicitor shall act as Prosecuting Attorney in Municipal Court and in reference to all appeals from that Court, and shall perform all other duties which the Council may impose consistent with the office. The solicitor shall appoint assistants and fix their salaries, but the maximum number of assistants and the total amounts of the assistants' salaries shall be fixed by Council. The City Solicitor shall hold office at the pleasure of the City Manager and the assistants shall hold their offices at the pleasure of the City Solicitor.

SECTION 49. PERSONNEL DIRECTOR.

The Personnel Director shall be appointed by the City Manager, and shall serve at the pleasure of the City Manager. The Personnel Director shall advise the City Manager on matters of personnel administration, and shall perform such other duties as directed by the City Manager or required by law.

SECTION 50. LICENSING OFFICER; REVOCATION OF LICENSES.

The City Manager shall appoint a City Licensing Officer, or if the manager sees fit, may require some other City officer to assume the duties of City Licensing Officer. The City Licensing Officer shall issue all City licenses and shall be governed by the provisions of the ordinances relating to licenses and the applicable laws of the State; provided, however, that the officer may, before issuing any license, require the affidavit of any applicant, setting forth that such applicant is a proper party for such license, and that all terms, requirements and conditions of the licensing laws pertaining to the license applied for have been met. Provided further, that the officer may, before issuing any license, make an investigation to determine whether such terms, requirements and conditions have in fact been met. And provided further, that all applications for beer and/or liquor licenses shall be thoroughly investigated by before any such license shall be issued. The City Licensing Officer and/or Council may revoke any license issued by the City Licensing Officer for any violation of law pertaining to such license.

SECTION 51. APPOINTMENT OF MUNICIPAL COURT JUDGE.

The City Manager shall appoint a Judge of Municipal Court, from among the members of the Ohio County Bar, who need not be a resident of the City of Wheeling.

SECTION 52. JUDGE TO APPOINT CLERK; DEPUTY CLERK.

The Judge of the Municipal Court shall appoint a Clerk of the Municipal Court who shall have the powers and duties set forth in Section 57 of the Charter. The Judge shall also appoint a Deputy Clerk who shall perform such duties as prescribed by the Judge. The Deputy Clerk shall perform the duties of the Clerk during the Clerk's absence, illness or disability.

SECTION 53. DUTIES OF MUNICIPAL COURT JUDGE; TEMPORARY JUDGE.

The Judge of the Municipal Court shall preside over that Court and try and determine all cases over which that Court has jurisdiction. In the event of the Judge's temporary absence or disability, the City Manager shall appoint a member of the Ohio County Bar to preside over the Court, and perform the duties of the Judge thereof, during the absence or disability of the regular Judge, and the Judge's salary shall be transferred to and paid the temporary Judge for the time of service as such Judge.

SECTION 54. JURISDICTION OF MUNICIPAL COURT.

The Judge of the Municipal Court shall have jurisdiction over all offenses against, or violation of, the ordinances of the City, and full authority to punish in any manner lawfully prescribed by such ordinances, the offenders against or violators of the same.

The Judge of the Municipal Court shall have the same misdemeanor criminal jurisdiction and powers within the City of Wheeling as is now provided by law for magistrates elected in Ohio County.

SECTION 55. PROCEEDINGS IN MUNICIPAL COURT.

The proceedings for the recovery of the fines or for the enforcement of the penalty prescribed by any ordinance shall conform to the regulations so far as they are applicable, prescribed in the Code of West Virginia for proceedings before magistrates.

SECTION 56. ENFORCEMENT OF MUNICIPAL COURT ORDERS; JUDGMENTS; EXECUTION OF PROCESS; FEES.

The Court shall have full power and authority to enforce its orders and judgments, by any process of law which may be necessary and proper for the purpose, and all processes, executions and orders of the Court shall be signed by the Judge or Clerk thereof. Such process and executions shall be directed to the Chief of Police of the City, and be executed by the Chief or one of the Police Officers. In the execution of any process or order of the Court, the Chief of Police or officer shall have the same powers, be governed in these proceedings by the same rules of law, and be subject to the same liabilities as the Sheriff of Ohio County, West Virginia, in the performance of like services. There may be charged for the services of such officer the same fees as the Sheriff is entitled to charge for like services, but all such fees, as well as all fines imposed by the Court, shall be collected by the Chief of Police, and accounted for and paid by the Chief to the Finance Director of the City. The City shall in no event be liable for any such fees.

SECTION 57. POWERS AND DUTIES OF MUNICIPAL COURT CLERK; FEES.

The Clerk of the Court shall have authority to administer oaths within the City and shall perform such duties as may be required by the Judge of the Court, or be prescribed by rule or order of the Council. Such Clerk may charge the same fees for the Clerk's services as are now allowed to be charged by magistrates for like services, and such fees shall be collected; but all such fees shall be accounted for by the Clerk to the City and paid over to its Finance Director.

SECTION 58. MUNICIPAL COURT RECORDS AND CERTIFICATES, EFFECT; SEAL.

A docket and other books required for the records and a seal shall be provided for the Court by the Council, and the seal may be altered or renewed as the Court may direct. Full faith and credit shall be given to the records of the Court, and the certificates of its Judge or Clerk, whether the seal of the Court be affixed thereto or not, in like manner and with the same effect as if the same were records of the Circuit Court or certificates of the Judge of a Circuit Court similarly authenticated.

SECTION 59. PAYMENT OF MUNICIPAL COURT COSTS.

The Municipal Court shall have power, upon rendering judgment against a defendant charged with the violation of an ordinance of the City, to render judgment against the defendant also for the cost of prosecution.

SECTION 60. APPEALS FROM MUNICIPAL COURT: BOND.

From the judgment of the Municipal Court in any case in which there is unpaid a fine of ten dollars or more, or imprisonment, or both, or in any case involving the validity of an ordinance of the City, an appeal shall lie as a matter of right, to the Circuit Court of Ohio County, either on behalf of the defendant or the City, and in any case where a fine is imposed, on demand of the defendant, such fine must be fixed at not less than ten dollars, so that such appeal may be taken; but no defendant shall be entitled to such appeal until and unless the defendant executes before the Municipal Court, or its Clerk, bond in such penalty, not exceeding five hundred dollars, as the Municipal Court may prescribe, conditioned for the performance of the judgment or order of the Circuit Court of the County made or rendered upon such appeal. Every such bond shall be with security approved by the Municipal Court or its Clerk; but in any case in which an appeal is taken or granted on behalf of the City, no bond or security shall be required. Every such appeal shall be proceeded within the Circuit Court in the same manner as is provided by law for the proceedings in such Circuit Court, in cases appealed from Magistrates. If on such appeal judgment be against the appellant, it shall also be against the sureties on

the appeal bond for costs, and for any fine or pecuniary penalty adjudged against the defendant. No such appeal shall be allowed after ten days from the date of any final order or judgment desired to be appealed from.

SECTION 61. STATE CIVIL SERVICE LAWS APPLICABLE TO POLICE AND FIRE DEPARTMENT.

The provisions of the general laws of West Virginia which require and provide civil service in and for municipal fire and police departments in this State, and which do not exclude Wheeling from the operation thereof, shall apply to the Fire and Police Departments of Wheeling.

SECTION 62. CIVIL SERVICE ORDINANCE.

The Civil Service ordinance of the City of Wheeling in effect on the date of the adoption of this section shall not be altered or amended in any material respect except by the vote of a majority plus one of all of the members elected to Council. Such ordinance shall not be repealed except by the majority vote of the qualified voters of the City who vote on the issue at a general or special municipal election.

SECTION 63. ANNUAL AUDIT OF BOOKS AND ACCOUNTS; PUBLICATION.

At the end of each fiscal year the City Council shall cause a full and complete examination of all the books and accounts of the City to be made by the Finance Director or by other competent accountants and shall publish the result of such examination in connection with the annual City financial statement required by law.

SECTION 64. AUDIT OF BOARDS AND COMMISSIONS.

All boards and commissions of the City of Wheeling listed in this Charter that receive or disburse money independent of the City Finance Department shall be audited by an independent certified public accountant and the audit report shall be filed with the City Clerk not later than 90 days after the end of the fiscal year of the board or commission.

SECTION 65. FISCAL YEAR FIXED BY ORDINANCE.

The fiscal year of the City of Wheeling shall be fixed by ordinance.

SECTION 66. TRANSCRIPT OF COUNTY ASSESSMENT TO COUNCIL.

The County Assessor or other officer assessing property in Ohio County for taxation for State and County purposes, shall furnish to the Council of the City of Wheeling, a transcript of the assessment of real and personal property within the City

liable to taxation by the State, on or before the first day of August of each year, and shall receive such compensation therefor as may be fixed by Council.

SECTION 67. WATER RENTS; COLLECTION; DELINQUENCY.

Water rents shall be distrained for and collected in the same manner as taxes owing to the City may be enforced. The collection of water rents shall also be enforced by shutting off the supply of water from delinquents, and the refusal thereafter to furnish water to delinquents until all arrearages are paid.

SECTION 68. SUITS FOR COLLECTION OF TAXES.

In addition to all other means for the collection thereof, all taxes and water rents, as well as all other demands due to the City, may be recovered by an appropriate suit or proceeding, in the name of the City, before any magistrate of Ohio County, if the amount be within the magistrate's jurisdiction, or in the Circuit Court of Ohio County, if within the jurisdiction of Circuit Court.

SECTION 69. CITY EXPENDITURES IN EXCESS OF AUTHORITY; PENALTY.

No disbursing officer of the City shall issue any order or check for the payment of money for any work, matter or thing contracted for or ordered by the Council or any officer or employee of the City which shall have been so contracted for or ordered wholly or in part in excess of the amount which shall have been previously set by ordinance or resolution as the limit of expenses of the department to which such work, matter or thing belongs, or in excess of the amount available in the City treasury for such payment. The foregoing provision of this section is intended as a restraining provision, and it is further declared that no act of such disbursing officer shall be in anywise held to render valid any debt contracted by or on behalf of the City in violation of the Constitution and laws of the State. Any such officer of the City who shall violate this section, shall upon conviction, be subject to such fine and imprisonment as shall be fixed by the court, and shall be disqualified from holding office.

SECTION 70. LIMITATION ON CITY INDEBTEDNESS.

No debt shall be incurred by the City even with the consent of the voters, to an amount, including existing indebtedness, in the aggregate exceeding amount fixed by law of the State of West Virginia.

SECTION 71. ISSUANCE AND SALE OF BONDS; PENALTY; ADVISORY COMMITTEE.

The City of Wheeling is hereby authorized to issue and sell its bonds; provided, that the City shall not by such issue and

sale of bonds cause the aggregate of its debts of every kind whatsoever to exceed five percent of the valuation of the taxable property therein, which value shall be ascertained by the last assessment for State and County taxes previous to the issue of said bonds, nor shall said City make such issue and sale without at the same time providing for the collection of a direct annual tax of an amount sufficient to pay the annual interest of such debt and the principal thereof within and not exceeding thirty-four years.

No bonds shall be issued by said City unless all questions connected with the same shall have been first submitted to the qualified voters of said City and have received three-fifths of all votes cast for and against the same.

When the Council shall deem it expedient to issue bonds, an ordinance specifying the purpose and amount for which such bonds are to be issued, shall be adopted by them at a regular meeting and it shall then be the duty of the Mayor of the City to issue a proclamation reciting said ordinance and appointing a day at which an election shall be held by the qualified voters of the City to decide whether they will ratify or reject said ordinance. Any bond ordinance may be voted on at the time of holding any general municipal election or a special election may be held for the purpose of submitting said ordinance to a vote of the people. If a bond ordinance is submitted to a vote at the time of a general municipal election, separate ballots shall be provided therefor. Such proclamation shall be published in two morning newspapers published in the City, once a week for two successive weeks previous to the day of the election.

More than one ordinance may be submitted at any election, but each ordinance shall be separately voted upon; any ordinance may specify more than one purpose for which said bonds are to be issued; provided, however, that the amount to be appropriated for each purpose is also specified therein. The proclamation issued by the Mayor, as hereinbefore provided, shall specify the aggregate amount of indebtedness, outstanding and authorized, of the City existing at the date of the proclamation.

Bonds issued by the City shall be of the denomination of one hundred dollars or multiples thereof, not exceeding one thousand dollars. They shall be payable not less than one nor more than thirty-four years after date. They shall bear not more than six percent interest and the interest shall be payable annually or semi-annually. No debt shall be created by the City as a bonded debt except when issued under the provisions of this Charter.

It shall be unlawful for the officers of the City to privately issue or sell directly or indirectly any bond or bonds to be used in payment for work or material to be furnished, but all such bonds shall be publicly sold to the highest bidder in writing to be approved by the officers conducting the sale, for cash, or its equivalent in bonds previously issued by the City, and the money arising therefrom shall be used for the purpose specified in the ordinance providing for the issuing of the same; before any sale of such bonds, said sale shall be advertised in some newspapers, not exceeding four, in or out of said City, once a week for four weeks previous to said sale.

The Finance Director of the City of Wheeling and his sureties shall be liable for the sinking fund and the amount levied or may be levied for a sinking fund and to pay interest on the bonded debt, and it shall be applied to the purposes for which it was levied or for investment in United States bonds or bonds of the City, as the Council may direct, to be used for the payment of principal and interest of any bonded debt of the City.

Bonds of the City shall not be sold at less than their par value. The Council shall provide in its ordinance that bonds of the City be signed by the Mayor and City Clerk and sealed with the seal of the City.

Should any of the funds derived from the issuance and sale of bonds of the City be diverted by the Council or any officer or officers of the City from the purpose for which said bonds were issued and sold, such members of Council or City officer using same or consenting to or aiding in the use thereof for such other purpose, shall be guilty of a misdemeanor and punished by fine of not less than one hundred dollars or more than five hundred dollars, or by imprisonment for not less than thirty days nor more than one year, or both fine and imprisonment.

The city may issued and sell its bonds for any purpose for which a municipality may issue bonds. After the Council shall have passed an ordinance providing for the submission of a bond issue to the voters of the City, the Mayor, with the consent and approval of Council, shall appoint a committee consisting of not less than five residents and citizens of the City of Wheeling, which committee shall act in an advisory capacity with the City Council in all matters relating to the issuance and sale of such bonds, and with the City Manager in awarding of contracts and expenditures of the funds derived from a sale of such bonds. The names of the members of such committee shall be published in the proclamation issued by the Mayor prior to the holding of the election on any such bond issue.

SECTION 72. CITY DEPOSITORIES.

The Council shall provide by ordinance for the deposit of all public moneys of the City in such bank situated with the City as Council shall designate by ordinance. Before any public moneys shall be deposited in such bank it shall give a good and sufficient bond to the City to secure the accounting for and due payment over of such public moneys, with security approved by the Council. The security shall always be in a sum not less than ten percent in excess of the maximum amount at any time deposited, but there shall not be deposited in any one bank an amount in excess of the paid-in capital stock and surplus of such bank, and not in any event an amount in excess of three million dollars. As to any deposits made under authority of an ordinance of the Council, passed pursuant to this section, neither the depositing officer nor other persons so depositing, nor such officers' sureties, shall be liable for any loss occasioned by the deposit or in any wise growing out of it.

SECTION 73. ACCOUNT AND SETTLEMENT OF MONEYS COLLECTED.

All officers of the City of Wheeling who shall collect or receive, or whose official duty it is or shall be, to collect, receive, hold or pay out any money belonging to, or which is or shall be for the use of the City, shall make annual account and settlement therefor. Such settlement when made shall be subject to exceptions, and shall take such direction and have only such force and effect as may be provided by law; but in all cases such settlements shall be recorded and be open to examination of the people at such convenient place or places as may be appointed by ordinance of the City.

SECTION 74. RECALL OF MEMBER OF COUNCIL.

Any member of Council may be removed from office by the following procedure: a petition signed by at least ten percent of the qualified voters of the City shall be filed with the City Clerk, which petition shall contain a general statement of the grounds for which the removal is sought. Such petition shall be submitted, examined and certified in a manner provided in this Charter, and if such petition be deemed sufficient by the City Clerk, the Clerk shall certify the same to the City Council without delay. Upon receipt of such petition the Council shall order and fix a date for holding a special recall election, not less than thirty days nor more than fifty days from the date of the Clerk's certificate. The Council shall publish notice of the election once a week for three successive weeks in two newspapers of general circulation in the City. The ballot for such recall election shall be substantially of the following form and effect:

OFFICIAL BALLOT

.....day of....., 19....
Special recall election for the removal of A.B.....

____ For the recall of A.B.....
____ Against the recall of A.B.....

Should a majority of the votes cast be in favor of recalling the member of Council, subject to this provision, such member of Council shall forthwith forfeit the Council seat and the Council shall, at its next meeting following the recall election, appoint a successor to such office for the unexpired term of same. If a recall petition bears the signatures of five thousand qualified voters of the City when certified to Council, the member of Council named therein shall be suspended from office pending the result of the recall election.

The method of removal shall be cumulative and in addition to any other methods of removal provided by law. No recall petition shall be filed within ninety days succeeding or preceding any regular Council election.

SECTION 75. BRIBERY OF CITY OFFICIALS.

Any person who shall bribe, by directly or indirectly giving to or bestowing upon a member of the Council of the City, or other officer thereof, any money, testimonial or other valuable thing, or do any act beneficial to such officer, in order to influence the officer in the performance of any official or public duties, shall be deemed guilty of a felony in accordance with Chapter 61 of the West Virginia Code, and shall, moreover, be forever disqualified from holding any office or position of honor, trust or profit in the City.

SECTION 76. ATTEMPTED BRIBERY OF CITY OFFICIALS.

Any person attempting to bribe, by offering or proposing to give any officer or member of Council of the City of Wheeling money, testimonial or other valuable things, or to do any act beneficial to such officer or member of Council in the performance of any official or public duties, shall be deemed guilty of a felony in accordance with Chapter 61 of the West Virginia Code, and shall, moreover, be forever disqualified from holding any office of honor, trust or profit in the City.

SECTION 77. DEMANDING OR RECEIVING BRIBE BY CITY OFFICIAL.

If any member of the Council of the City of Wheeling, or other officer of the City shall demand or receive from any corporation, company, firm or person, any money, testimonial or other valuable thing, for the performance of any official or public duties, or for refusal or failure to perform the same, or for any vote or influence given or withheld as such member of Council or other officer, or for making any particular nomination or appointment, that person shall be deemed guilty of a felony in accordance with Chapter 61 of the West Virginia Code, and shall, moreover, be forever disqualified from holding any office of honor, trust or profit in the City.

SECTION 78. GENERAL PENALTY FOR CHARTER VIOLATIONS.

Any person who shall violate any of the provisions of this Charter, for the violation of which no punishment has been provided herein, shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine not exceeding five hundred dollars, or by imprisonment in the County jail not exceeding thirty days, or by both such fine and imprisonment.

SECTION 79. CERTIFIED COPIES OF ORDINANCES; PRIMA FACIE EVIDENCE OF LAW.

All copies purporting to be copies of the ordinances of the City, or extracts from the journal or minutes of the Council, which shall be printed by the authority of the Council, or which shall be certified to be true and correct by the Clerk of the City under the seal thereof, shall be received by all courts and

magistrates of this State as prima facie evidence of the tenor of such ordinances and of the acts and proceedings of the Council therein set forth.

SECTION 80. FEES OF OFFICIALS TO BE PAID INTO CITY TREASURY.

All fees and money paid to an officer of the City, for an official service, shall belong to the City and be paid at once into the City Treasury by such officer, the salary or compensation given by the City to its officers respectively, being all the compensation they shall be entitled to for an official service.

SECTION 81. REQUIREMENTS FOR PETITIONS ISSUED UNDER CHARTER.

Signatures to petitions provided in this Charter need not be appended to one paper, but each paper bearing signatures shall state, at the top thereof, the purpose of the petition, and there shall be attached thereto the affidavit of the circulator thereof stating that each signature was made in the circulator's presence on the date specified and is the genuine signature of the person whose name it purports to be, and, in cases requiring signatures of qualified voters, that such person is to the best of the circulator's knowledge and belief a qualified voter of the City of Wheeling. Opposite each signature is to be given the place of residence in Wheeling of each signer, by street and number where possible, and the date such persons signed the petition. All separate papers comprising a petition shall be assembled and filed with the City Clerk as one instrument. Upon receiving any petition, the City Clerk shall immediately examine the same, and if found to contain the number of valid signatures requisite for the purpose specified therein and that it complies with the requirements hereof, shall certify such petitions to be in good form and shall forthwith transmit such petition to the Council. If such petition does not contain the requisite number of valid signatures or fails to comply with the requirements hereof in any other respect, the City Clerk shall state in writing the defect or defects therein and shall return it to the party who filed it. If the petition is returned to the City Clerk within ten days thereafter, and then is found to meet the requirements hereof, the City Clerk shall certify same to be in good form, and shall transmit same to the Council forthwith. The Council may allow the City Clerk such reasonable sum as may be necessary to secure any additional help required to assist in the examination of any petition or petitions, or the City Manager may be directed to assign to the City Clerk competent City employees for such purpose. This section shall not apply to nominating petitions except as to the examination thereof.

SECTION 82. SEPARABILITY.

If any provision of this Charter be held to be unconstitutional or invalid, this shall not affect the validity, force or effect of any other provision.

SECTION 83. INCONSISTENT ACTS REPEALED.

All acts and parts of acts inconsistent herewith are hereby repealed.

SECTION 84. TRANSITION.

The members of Council representing the former First, Third, Fifth, Seventh and Ninth Wards elected in May of 1990, and the members of Council representing the former Second, Fourth, Sixth and Eighth Wards elected in May of 1992, and the Mayor and Vice Mayor to be elected by those members of Council in June of 1992, shall serve until their successors are elected and qualified and take office on December 1, 1992.

CHARTER OF THE CITY OF WHEELING

SECTION 1. POWERS AND RIGHTS OF CITY AS CORPORATE BODY.

The inhabitants of the portion of the Counties of Ohio and Marshall, in the State of West Virginia, within the limits of the City of Wheeling, as they now are, or as they may hereafter be, shall be and continue a body politic and corporate, by the name and style of "The City of Wheeling," and as such, and by that name, shall have perpetual succession, and may contract and be contracted with, sue and be sued, plead or be impleaded, answer and be answered unto, and may purchase, acquire by condemnation proceedings for public use, take, receive, hold and use goods and chattels, lands and tenements and choses in action, or any interest, right or estate therein, either for the proper use of the City, or in trust for the benefit of any person or association therein; and the same may grant, sell, convey, transfer and assign, let, pledge, mortgage, charge and encumber, in any case and in any manner in which it would be lawful for private individuals so to do, except where its powers may be limited by law; and may have and use a common seal, and alter and renew the same at pleasure; and generally shall have all the rights, franchises, capacities and powers appertaining to municipal corporations in this State.

All real and personal estate, and all funds, rights, titles, taxes, credits and claims, and rights or action owned by the City of Wheeling immediately before this Charter takes effect or which are then held in trust or have been appropriated for the use or benefit of the City or of the inhabitants thereof, shall be and the same are hereby transferred to and vested in the City of Wheeling under this Charter.

SECTION 2. POWERS OF LOCAL SELF GOVERNMENT AND HOME RULE.

The City of Wheeling shall have each and every authority and power granted to it by this Charter and any power or authority heretofore conferred on it by the Legislature by general, special or local law or municipal charter or parts thereof not inconsistent with the Constitution or general law of the State. The City of Wheeling shall also have all powers granted to municipalities under the Constitution and Statutes of the State of West Virginia, including all powers of local self-government and home rule granted by Chapter 8 of the Code of West Virginia, as amended, as well as any powers and authority fairly incidental thereto or reasonably implied and within the purpose thereof. All such powers shall be exercised in the manner prescribed by this Charter and, if not prescribed herein, in such manner as shall be provided by ordinance of Council.

SECTION 3. LEGISLATIVE POWER OF COUNCIL; FINES AND PENALTIES FOR VIOLATION OF ORDINANCES.

All legislative powers of the City shall be vested, subject to the terms of this Charter and of the Constitution of the State, in the Council. The Council shall have authority to pass all ordinances necessary and proper to carry into full force and effect any power, capacity, authority, or jurisdiction which is or shall be granted to or fixed in the City or in the Council or in any officer of the City, and to provide for the enforcement of any or all of their ordinances by reasonable fines and penalties, or by imprisoning offenders against such ordinances, or by any or all of those modes; provided, however, that no person shall be imprisoned more than 30 days or fined more than five hundred dollars for any one offense.

CITY OF WHEELING

9/12

CITY COUNTY BLDG., 1500 CHAPLINE STREET
WHEELING, WEST VIRGINIA 26003

RESOLUTION ON OPEN GOVERNMENTAL PROCEEDINGS RULES

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of the City of Wheeling does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

1. Regular Meetings. A notice shall be posted and maintained by the City Clerk at the front door or bulletin board of the City Hall of the date, time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the City Clerk not less than 72 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.

2. Special Meetings. A notice shall be posted by the City Clerk at the front door or bulletin board of the City Hall not less than 72 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is canceled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.

These rules regarding notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted this 19th day of April, 2005.

Nick A. Sparachane, Mayor

ATTEST:

Janice L Jones
City Clerk

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Nicholas A. Sparachane, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Mayor of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 6th day of July, 2004.

Nicholas A. Sparachane

Subscribed and sworn or affirmed to before me, in said County and State, this 6th day of July, 2004.

James Mazzone, Judge, First Judicial Circuit
of West Virginia

CITY OF WHEELING

CITY COUNTY BLDG., 1500 CHAPLINE STREET
WHEELING, WEST VIRGINIA 26003

OATH OF OFFICE

STATE OF WEST VIRGINIA]
]
COUNTY OF OHIO]

TO WIT:

I, **Robert D. Herron, Jr.**, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and the Charter of the City of Wheeling, West Virginia; that I will perform faithfully, honestly and impartially the duties of the position of **City Manager** to the best of my skill and judgment.

SWORN TO AND SUBSCRIBED TO BEFORE ME
THIS 25TH DAY OF FEBRUARY 2002.

CITY CLERK

CITY OF WHEELING

WHEELING, WEST VIRGINIA 26003

OATH OF OFFICE

STATE OF WEST VIRGINIA]
]
COUNTY OF OHIO]

TO WIT:

I, Janice L. Jones, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of West Virginia, and the Charter of the City of Wheeling, West Virginia; that I will perform faithfully, honestly and impartially the duties of the position of City Clerk to the best of my skill and judgment.

Janice L. Jones

SWORN TO AND SUBSCRIBED TO BEFORE ME,
THIS 7TH DAY OF SEPTEMBER, 1994.

Mayor

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Vernon E. Seals, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Member of Council of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 1st day of July, 2004.

Vernon E. Seals

Subscribed and sworn or affirmed to before me, in said County and State, this 1st day of July, 2004.

Arthur M. Recht, Judge, First
Judicial Circuit of West Virginia

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Michael Nau, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Member of Council of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 1st day of July, 2004.

Michael Nau

Subscribed and sworn or affirmed to before me, in said County and State, this 1st day of July, 2004.

~~Arthur M. Recht~~, Judge, First
Judicial Circuit of West Virginia

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Robert "Herk" Henry, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Member of Council of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 1st day of July, 2004.

Robert Herk Henry

Robert "Herk" Henry

Subscribed and sworn or affirmed to before me, in said County and State, this 1st day of July, 2004.

Arthur M. Recht, Judge, First Judicial Circuit of West Virginia

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Gloria Delbrugge, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Member of Council of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 1st day of July, 2004.

Gloria Delbrugge

Gloria Delbrugge

Subscribed and sworn or affirmed to before me, in said County and State, this 1st day of July, 2004.

~~Arthur~~ M. Recht, ~~Judge, First~~
Judicial Circuit of West Virginia

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Barry D. Crow, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Member of Council of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 1st day of July, 2004.

Barry D. Crow

Subscribed and sworn or affirmed to before me, in said County and State, this 1st day of July, 2004.

Arthur M. Recht, Judge, First
Judicial Circuit of West Virginia

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO WIT:

I, Brent A. Bush, do solemnly swear or affirm that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of Member of Council of the City of Wheeling to the best of my skill and judgment.

Given under my hand this 1st day of July, 2004.

Brent A. Bush

Subscribed and sworn or affirmed to before me, in said County and State, this 1st day of July, 2004.

Arthur M. Recht, Judge, First
Judicial Circuit of West Virginia

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: February 10, 2004

CASE NO. 03-1943-S-MA

CITY OF WHEELING,
a municipal corporation.
Investigation and suspension of increase in sewer rates and charges as a result of petitions filed in accordance with West Virginia Code §24-2-4b.

FINAL
3-1-04

RECOMMENDED DECISION

On October 21, 2003, the City of Wheeling (Utility) adopted an ordinance which increased the sewer rates for service to its customers by approximately 38.5%.

On November 17, 2003, the Commission received a petition filed by the Village of Bethlehem (Bethlehem), the Town of Triadelphia (Triadelphia) and the Ohio County Public Service District (District) seeking review of the sewer rate increase. The petition alleged discrimination.

On November 18, 2003, the Commission asserted its jurisdiction and suspended the rates and charges until April 3, 2004. The Commission referred this matter establishing a decision due date of March 4, 2004.

On November 24, 2003, Bethlehem, Triadelphia and the District moved to intervene in the proceeding.

By Procedural Order issued December 19, 2003, Bethlehem, Triadelphia and the District were granted intervenor status.

By Procedural Order issued December 23, 2003, the matter was set for hearing on January 22, 2004. The Utility was ordered to publish notice of the hearing.

On January 15, 2004, the Utility provided an affidavit of publication indicating that it properly published notice of the hearing in Ohio County on January 5, 2004.

The hearing was held as scheduled. Robert R. Rodecker, Esquire, appeared on behalf of the Utility. John P. Bailey, Esquire, appeared on behalf of the Intervenors. Cassius H. Toon, Esquire, appeared on behalf of Staff. At the hearing, all parties agreed to the recommendations made

13. The projected surplus under the Staff-recommended initial increase reflects the five-year average of net plant additions for the Utility. (Staff Exh. 3).

14. Debt service coverage under the Staff-recommended initial increase would be 1.658 times. (Id.).

15. Revenue generated under the post-construction rates proposed by Staff would cover the Utility's operating cash requirements of $3,381,065 and debt service requirements of $1,719,642. (Id.).

16. The post-construction rates, as recommended by Staff, provide the same amount of surplus for internally funded plant additions as its pre-construction rates. (Id.).

17. Debt service coverage under the Staff-proposed post-construction rates would be 1.346 times. (Id.).

18. The post-construction rates provide debt service for the $14,500,000 bond issue which is anticipated to be required to support the proposed construction project. (Id.).

19. The Staff-recommended post-construction rates also cover the operating cash requirements and additional O&M expenses as projected by Staff. (Id.).

20. Both sets of Staff-recommended rates reflect a restructuring of rates based on the Staff Class Cost of Service Studies. (Id.).

21. The 4,500-gallon bill under the Staff-recommended rates pre-construction is $15.71. (Staff Ex 3, Schedule 6).

22. The 4,500-gallon rate under the Staff-recommended rates post-construction is $18.95. (Staff Ex 3, Schedule 6-A).

23. The Utility and the Intervenors have agreed to the Staff-recommended rates. (Tr. 6, 7, 8).

CONCLUSION OF LAW

The Staff-recommended rates are reasonable, just, based primarily on the cost of service and should be adopted for use by the Utility.

ORDER

IT IS, THEREFORE, ORDERED the rates attached as Attachment 1 be, and hereby are, approved for use by the City of Wheeling for the provision of sewer service on and after April 3, 2004.

IT IS FURTHER ORDERED that the rates attached as Attachment 2 be, and hereby are, approved for use by the City of Wheeling upon substantial completion of the project which is the subject of Case No. 03-1609-S-CN.

Public Service Commission
of West Virginia
Charleston

CASE NO. 03-1943-S-MA
CITY OF WHEELING
APPROVED RATES - PRE-CONSTRUCTION

RATE SCHEDULE 1

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, industrial and sale for resale sewer service.

RATE (Based on the metered amount of water supplied)

First	10,000 gallons used per month	$3.49 per 1,000 gallons
Next	90,000 gallons used per month	$3.39 per 1,000 gallons
Next	100,000 gallons used per month	$2.93 per 1,000 gallons
Over	200,000 gallons used per month	$2.12 per 1,000 gallons

FLAT RATE CHARGE

Equivalent of 4,500 gallons of water usage, $15.71 per month.

MINIMUM CHARGE

No bill will be rendered for less than $5.54 per month, which is the equivalent of 1,587 gallons of usage with a 5/8" meter.

TAP INSPECTION FEE

The tap inspection fee shall be twenty-five dollars ($25.00).

DISCONNECT/RECONNECT/ADMINISTRATIVE FEES

Whenever water service has been disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with the City of Wheeling, a disconnection fee of $25.00 shall be charged; or, in the event the delinquent sewer bill is collected by the water company, an administrative fee of $25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in conjunction with a water service termination agreement with the City of Wheeling, is reconnected, a reconnection fee of $25.00 shall be charged.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

CASE NO. 03-1943-S-MA
CITY OF WHEELING
APPROVED RATES - POST-CONSTRUCTION

RATE SCHEDULE 1

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, industrial and sale for resale sewer service.

RATE (Based on the metered amount of water supplied)

First 10,000 gallons used per month	$4.21	per 1,000 gallons
Next 90,000 gallons used per month	$4.05	per 1,000 gallons
Next 100,000 gallons used per month	$3.91	per 1,000 gallons
Over 200,000 gallons used per month	$2.56	per 1,000 gallons

FLAT RATE CHARGE

Equivalent of 4,500 gallons of water usage, $18.95 per month.

MINIMUM CHARGE

No bill will be rendered for less than $6.69 per month, which is the equivalent of 1,589 gallons of usage with a 5/8" meter.

TAP INSPECTION FEE

The tap inspection fee shall be twenty-five dollars ($25.00).

DISCONNECT/RECONNECT/ADMINISTRATIVE FEES

Whenever water service has been disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with the City of Wheeling, a disconnection fee of $25.00 shall be charged; or, in the event the delinquent sewer bill is collected by the water company, an administrative fee of $25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in conjunction with a water service termination agreement with the City of Wheeling, is reconnected, a reconnection fee of $25.00 shall be charged.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

Public Service Commission
of West Virginia
Charleston

PUBLIC NOTICE OF PROPOSED ORDINANCE
RELATING TO SEWER RATES, FEES AND CHARGES

Notice is hereby given that, on the 7th day of October, 2003, the City of Wheeling received as its next reading the City Council an Ordinance creating increased rates, fees and charges for the various sewer services of its customers in Ohio County, West Virginia, and it proposed the passage of the same. The proposed Ordinance is as follows:

AN ORDINANCE ESTABLISHING AND RAISING RATES, FEES AND CHARGES FOR THE WATER POLLUTION CONTROL SYSTEM OF THE CITY OF WHEELING AND ITS SEWERAGE AND ITS FACILITIES LOCATED OUTSIDE OF ITS CORPORATE LIMITS FOR THE COLLECTION AND TREATMENT OF SANITARY SEWAGE.

The first vote on passage of said proposed Ordinance was by yeas to the nays and was had by those in the City Council Chamber, City-County Building, 1500 Chapline Street, Wheeling, West Virginia, on October 21, 2003, at 7:00 p.m. Immediately thereafter, said Ordinance was read by its title only, there being present the required One-Fourth (1/4) of the members elected. Copies of the proposed Ordinance were available at the City Treasurer's Office, City-County Building, Room 201, 1500 Chapline Street, Wheeling, West Virginia 26003.

CITY OF WHEELING

AN ORDINANCE ESTABLISHING AND RAISING RATES, FEES AND CHARGES FOR THE WATER POLLUTION CONTROL SYSTEM OF THE CITY OF WHEELING AND ITS FACILITIES HERETOFORE LOCATED OUTSIDE OF ITS CORPORATE LIMITS FOR THE COLLECTION AND TREATMENT OF SANITARY SEWAGE.

WHEREAS, the City Council of the City of Wheeling deems it necessary and convenient that the present sewer rates and charges for service provided by operation of its sewer systems be increased in order that the City may more adequately operate and maintain and to provide for necessary upgrades of the system in order to meet State and Federal requirements; and

WHEREAS, the City Council of the City of Wheeling finds that the existing rates are and continue to be inadequate to provide revenue to be generated sufficient to meet the cost of its operating personnel and treatment system and that said rates will be sufficient to allow for debt service requirements and for the construction, maintenance and operation of its sewerage collection and treatment system.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WHEELING AS FOLLOWS:

The following schedule of rates, fees and charges are hereby fixed and established as the rates, fees and charges to be collected in accordance with the provisions of the City of Wheeling Ordinances now in effect.

SECTION 1. SCHEDULE OF RATES

RATE SCHEDULE I

APPLICABILITY
Applicable to residential, commercial and industrial customers served by the Water Pollution Control Division of the City of Wheeling, whether inside or outside the City limits.

AVAILABILITY OF SERVICE
Available for sanitary sewer service.

RATE (Based on the metered amount of water supplied)

First 10,000 gallons used per month ..... $3.75 per 1,000 gallons
Next 90,000 gallons used per month ..... $3.50 per 1,000 gallons
Over 100,000 gallons used per month ..... $3.25 per 1,000 gallons

MINIMUM CHARGE
Minimum charge for the first 2,000 gallons of water used per month shall be $7.50.

UNMETERED RATE
Unmetered rate will be $16.00 and is based on 4,000 gallons per household.

TAP INSPECTION FEE
The tap inspection fee shall be twenty-five dollars ($25.00).

WATER DISCONNECT/RECONNECT FEE
Whenever water service has been discontinued by or for the City of Wheeling for nonpayment of a sewerage bill, a disconnection fee of twenty-five dollars ($25.00) shall be charged.

Whenever water service, which has been previously discontinued on account of the City of Wheeling or nonpayment of a sewerage bill, is reconnected, a fee of twenty-five dollars ($25.00) shall be charged.

OVERAGE/FAILURE ADJUSTMENT
Should any 1,000 gallons or so listed above not reflect actual consumption where due to negligence in reading, damage or customer's lack of the meter, this shall be corrected in an equitable manner, above the customary overage charge.

DELAYED PAYMENT PENALTY
This service will be shut off on certain sewer service not paid within twenty (20) days. An account shall be considered delinquent if the net amount thereof unpaid. This delinquent amount shall not include any interest and is to be collected only after the shut off notice is issued.

RETURNED CHECK CHARGE
A charge of ten dollars ($10.00) will be assessed for insufficient funds. This insufficient fund charge is not interest and is to be collected only where there is a shortage.

INDUSTRIAL SURCHARGE RATES
Rate applicable to Biological Oxygen Demand (BOD)
concentration in excess of 300 mg/l ..... $0.150 per pound

Rate applicable to Total Suspended Solids (TSS)
concentration in excess of 300 mg/l ..... $0.081 per pound

PRETREATMENT MONITORING CUSTOMER CHARGE
Customers subject to industrial pretreatment that require monitoring of waste strength wastewater ..... $150.00 per month

RATE SCHEDULE 2

APPLICABILITY
Applicable to other systems served by the Water Pollution Control Division of the City of Wheeling, West Virginia, outside the city limits.

SERVICE TO OTHER SYSTEMS
Service to other systems is to consist monthly on the basis of the minimum cost of service in the form of a Service Charge and a Volume Rate.

Service Charge ..... $100.00 per Month
Volume Rate ..... $ 2.31 per 1,000 gallons

SECTION 2. EFFECTIVE DATE

The rates, fees and charges provided herein shall be effective for days after the enactment hereof.

SECTION 3. STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the City Clerk shall publish a copy of this Ordinance once a week for successive weeks within a period of 14 consecutive days, with at least 5 full days intervening between each publication, in a newspaper published and of general circulation in The City of Wheeling, and hereby does direct the City Clerk to have such newspaper, and the publication thereof, to comply with the provisions of Section 8, Article 3, Chapter 8 of the Code of West Virginia, 1931, as amended.

Any person interested may appear before Council on the 21st day of October, 2003, at 7:00 p.m., which date is not less than 10 days subsequent to the date of the first publication of this Ordinance and notice, and present suggestions, and such hearing or suggestions and objections shall be heard and the Council shall take such action as it shall deem proper on the premises.

The above Ordinance has been introduced at a meeting of Council held October 7, 2003.

Intelligencer, Oct. 11, 25, 2003

STATE OF WEST VIRGINIA
COUNTY OF OHIO,

I Pat Waskel for the publisher of the Wheeling Intelligencer newspaper published in the CITY OF WHEELING, STATE OF WEST VIRGINIA, hereby certify that the annexed publication was inserted in said newspaper on the following dates:

10-11-03, 10-25-03

Given under my hand this 28th day of October 2003.

Pat Waskel

Sworn to and subscribed before me this 28th day of October 2003 at WHEELING, OHIO COUNTY, WEST VIRGINIA

Jean Diane Barnes
Notary Public

of in and for OHIO COUNTY, WEST VIRGINIA.

My Commission expires April 12 2005

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JEAN DIANE BARNES
218 Main Street
Benwood, West Virginia 26031
My Commission Expires Apr. 12, 2005

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held 19

Wheeling, West Virginia
October 21, 2003

Council of the City of Wheeling met in Council Chambers, City-County Building, on the above date with Mayor Sparachane presiding.

The invocation was offered by Vice-Mayor Nau.

On roll call, the following were present:

Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

Mr. Nau moved, seconded by Mr. Seals, that the minutes of the meeting of October 7, 2003 meeting be approved as received. Motion carried.

Mr. Nau moved, seconded by Mr. Seals, to suspend the regular order of business to conduct a public hearing. Motion carried.

"PUBLIC HEARING - OGLEBAY PARK REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2003"

Mayor Sparachane asked if there was anyone present who wished to speak at this public hearing. There being no one present to speak, Mr. Nau moved, seconded by Mr. Seals, that this public hearing be closed. Motion carried.

Mr. Nau moved, seconded by Mr. Seals, to proceed with the second public hearing. Motion carried.

"PUBLIC HEARING - ADOPTING RATES AND CHARGES - WATER UTILITY SERVICE - ADOPTING RATES AND CHARGES - SEWER UTILITY SERVICE"

Mayor Sparachane asked if there was anyone present to speak at this public hearing. Mr. Charles Ballouz, a resident of Windsor Manor, told Council that he was opposed to any water and sewer rate increases. He believes the City should look at alternative ways to save money, such as cutbacks in staff.

MAYOR'S REPORT

Mayor Sparachane reported that the groundbreaking for Wheeling Heights is tomorrow at 2:30 p.m. He encouraged Council to attend.

Mayor Sparachane reported that Datatrac will be locating in Wheeling at the Ohio Valley Building. This new business will bring approximately 100 to 150 new jobs to the area.

Mayor Sparachane announced that the Wheeling Civic Center will now be known as the Wesbanco Arena.

In other news, Mayor Sparachane reported that demolition has started on the Warwick China Building, demolition is nearly completed on the Blaw Knox facility.

He also reported that development proposals for Center Wheeling were received and are being reviewed.

Mayor Sparachane asked that Council amend the agenda to moved forward the Resolution supporting West Virginia Northern Community College in their "College Square" project.

There being no objection by Council, Mayor Sparachane introduced Dr. John Hunter, president of West Virginia Northern Community College. Dr. Hunter outlined in detail the "College Square" concept. Following Dr. Hunter's presentation, Mayor Sparachane read the following resolution by title:

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held October 21, 2003 19

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING RATES AND CHARGES - WATER UTILITY SERVICE

The following was then read:

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE TREATMENT AND DISTRIBUTION OF POTABLE WATER.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING RATES AND CHARGES - SEWER UTILITY SERVICE

The following was then read:

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER POLLUTION CONTROL DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE COLLECTION AND TREATMENT OF SANITARY SEWAGE.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

UNIFIRST - UNIFORM GARMENT SERVICE - VARIOUS DEPARTMENTS

The following was then read:

believed to be dangerous, their care and actions by their owners ensued. Definitions of vicious breeds, whether to require the owners to post additional insurance or a surety bond before obtaining a license for the animal, and regulations on the housing, walking and other aspects of their treatment were also discussed. City Solicitor Humway-Warmuth said that she has had correspondence from the American Kennel Association stating their opinion that the "deed" more than the "breed" was a significant factor. She said that they asked that we consider the insurance rates of some dog owners. Ms. Humway-Warmuth said that Morgantown's ordinance is not breed specific. She said that we could use portions of Morgantown's ordinance and incorporate it into our current code section on cats and dogs. Mr. Schmitt said that this ordinance is an excellent start; however, he does not think it is enough. He believes if we wait until "after the fact" then we have waited too long. He also believes specific breeds should be addressed. Mr. Herron said that it would be appropriate to deal with "after the fact" instances regardless of breed and then try to figure out how to prevent attacks based on the potential of a certain breed of attacking someone. No action was taken.

There being no further business, Mr. Schmitt moved to adjourn. Time: 7:27 p.m.

Mr. Henry moved, seconded by Mr. Schmitt, approval of the entire report. Motion carried.

DEVELOPMENT COMMITTEE REPORT - OCTOBER 17, 2003

The Development Committee of Wheeling City Council met on Friday, October 17, 2003, at 8:00 a.m. in the Office of the City Manager. Present were Mayor Nick Sparchane, Chair; Vice-Chair Michael Nau, Member Cliff Sligar, Councilor Vern Seals, City Manager Robert Herron, Assistant City Manager Rita Coyne, Economic and Community Development Director Dave Klug, City Solicitor Rosemary Humway-Warmuth, Sherry Sligar of the City Clerk's Office. Others present were: Ron Bence, Bob Fitzsimmons, Greg Stewart, David Sims, Rev. Stinson and several others.

The following matter was discussed:

Lane Abandonment Request by Ronald F. Bence - Lane F between Sixteenth St. and Lane Thirteen

City Manager Robert Herron recapped the history of Mr. Bence's request. He stated this Committee denied Mr. Bence's original request to build a street all the way through from 16th to 15th Street as it would require the City to assist in the purchase of several properties on 15th Street. Mr. Bence returned with a second request to build a road from 16th Street to Lane 13. The Committee agreed to abandon the lane adjacent to the proposed road with the stipulation that Mr. Bence post bond that the street would be built to City specifications. Mr. Herron noted that he, as well as the Development Committee, were of the understanding that the road would be built to City specifications and then turned over to the City as a public street. Mr. Bence has since informed the City Manager that it is not his intention to build the road and turn it over to the City but to make it available to the public. City Council did consider two readings on an ordinance relevant to this request. However, as a result of Mr. Bence not posting the required bond and some confusion as to whether it would be a public or private street, Council withdrew the ordinance. The purpose of this meeting is to revisit this issue with Mr. Bence present to clarify the matter.

Discussion ensued as to the amount of bond required. Mr. Bence questioned if the bond issue is standard protocol for the City of Wheeling. City Manager Herron remarked the bond is required to insure if the City gives up the Right of Way to a road which is used by the public that there will be a road built adjacent to it. City Solicitor Humway-Warmuth noted that in most abandonment matters the piece of property to be abandoned is not traveled or used as this property is. In answer to a question as to whether Mr. Bence is proposing to give the City a Right of Way for the road, Mr. Bence replied that was correct. City Manager Herron questioned if the Right of Way would be in perpetuity, to which Mr. Bence agreed. Maintenance of the road was then discussed. Mr. Bence remarked that since he would be paying for this project he would be willing to donate the street back to the city if he could get an agreement with the City to assist him with acquiring several existing properties that are in the rear of this project area. In response to a question from Vice-Chair Nau as to Mr. Bence's purpose for this abandonment, Mr. Bence remarked that the present alley is only

Minutes of Meeting

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held October 21, 2003 19

THOSE WISHING TO BE HEARD

There being no further business, Mr. Nau moved, seconded by Mr. Seals, to adjourn. Motion carried. Time: 8:40 p.m.

Janice L. Jones
City Clerk

Nicholas A. Sporandon
Mayor

2/8

Ordinance No. 12731

Introduced October 7, 2003

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE TREATMENT AND DISTRIBUTION OF POTABLE WATER.

WHEREAS, the City Council of the City of Wheeling deems it advisable and necessary that its present water rates and charges for service provided to customers of its water system be increased in order that the City may meet its going-level expenses and bond coverage requirements; and

WHEREAS, the City Council of the City of Wheeling finds that the following rates are just and equitable for the service provided to its water customers through the use of its treatment and distribution system and that such rates will be sufficient to meet its going-level expenses for the maintenance and operation of its water treatment and distribution system and meet necessary bond coverage requirements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF Wheeling as follows:

The following schedule of rates, fees and charges are hereby fixed and determined as the rates, fees and charges to be charged to customers of the water system of the City of Wheeling throughout the entire territory served:

SECTION 1. SCHEDULE OF RATES

RATE SCHEDULE I

AVAILABILITY OF SERVICE
Available for general domestic, commercial, industrial, and resale service.

RATE

First	1,000 gallons used per month	$4.94 per 1,000 gallons
Next	499,000 gallons used per month	2.295 per 1,000 gallons
Over	500,000 gallons used per month	1.178 per1,000 gallons

MINIMUM CHARGE
No bill will be rendered for less than the following amounts according to the size of meter installed:

5/8	inch meter	$ 4.94 per month
3/4	inch meter	7.43 per month
1	inch meter	12.37 per month
1 - ½	inch meter	24.69 per month
2	inch meter	39.51 per month
3	inch meter	74.07 per month
4	inch meter	123.46 per month
6	inch meter	246.92 per month
8	inch meter	395.06 per month

SERVICE CONNECTION CHARGE
The charge for these items shall be as follows:

Size of Tap	Charge
5/8 and 3/4 inch	$ 265.50
1 inch and larger	$ 371.70

RECONNECTION CHARGE
When water service has been discontinued for non-payment of a bill for water or sewer service or fraudulent use of water, water service shall not be restored until all past due water and sewer bill and penalties have been paid in full and a reconnection charge in the amount of Twenty-five Dollars ($25.00) has been paid.

INCREMENTAL LEAK ADJUSTMENT
$0.24 per 1,000 gals. To be used when the bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such unusual consumption above the customer's historic average usage.

RATE SCHEDULE 2

AVAILABILITY OF SERVICE
Available for public and private fire protection service.

RATE

Fire Service Lines:

2 inch or smaller	$ 56.29 per year
3 inch	90.27 per year
4 inch	144.43 per year
6 inch	309.04 per year
8 inch	534.19 per year
10 inch	858.10 per year

HYDRANTS

$ 148.68 per hydrant

DELAYED PAYMENT PENALTY

The above tariff is net. On all current billings not paid within twenty (20) days, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

SECTION 2. EFFECTIVE DATE

The rates, fees and charges provided herein shall be effective 45 days after the enactment hereof.

SECTION 3. STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the City Clerk shall publish a copy of this Ordinance once a week for 2 successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in a newspaper published and of general circulation in The City of Wheeling, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council on the 21st day of October, 2003, at 7:30 p.m., which date is not less than 10 days subsequent to the date of the first publication of the Ordinance and notice, and present protests. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper on the premises.

The above Ordinance has been introduced at a meeting of Council held October 7, 2003.

Passed on First Reading: October 7, 2003

Passed on Second Reading
Following Public Hearing October 21, 2003

Effective as of December 5, 2003.

s/s Janice L. Jones
City Clerk

PASSED BY THE COUNCIL OF
THE CITY OF WHEELING, W. VA.
AT A REGULAR MEETING
HELD ON THE 21st DAY
OF October 2003

MAYOR

PUBLIC NOTICE OF PROPOSED ORDINANCE
RELATING TO WATER RATES, FEES AND CHARGES

Notice is hereby given that, on the 7th day of October, 2003, the CITY OF WHEELING caused to be read before the City Council, an Ordinance proposing increased rates, fees and charges for furnishing water service to its customers in Ohio County, West Virginia, and is processes the adoption of this same. The proposed Ordinance is titled:

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE TREATMENT AND DISTRIBUTION OF POTABLE WATER.

The final vote on adoption of said proposed Ordinance will be open to the public and will be held in the City Council Chambers, City-County Building, 1500 Chapline Street, Wheeling, West Virginia, on October 21, 2003, at 7:30 p.m. Interested parties may appear and be heard at such time with respect to the passage of the proposed Ordinance. Copies of the proposed Ordinance are available at the City of Wheeling Clerk's Office, City-County Building, Room 301, 1500 Chapline Street, Wheeling, West Virginia 26003.

CITY OF WHEELING

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE TREATMENT AND DISTRIBUTION OF POTABLE WATER.

WHEREAS, the City Council of the City of Wheeling deems it advisable and necessary that its present water rates and charges for service provided to customers of its water system be increased in order that the City may meet its going-level expenses and bond coverage requirements; and

WHEREAS, the City Council of the City of Wheeling finds that the following rates are just and equitable for the service provided to its water customers through the use of its treatment and distribution system and that such rates will be sufficient to meet its going-level expenses for the maintenance and operation of its water treatment and distribution system and meet necessary bond coverage requirements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WHEELING AS FOLLOWS:

The following schedule of rates, fees and charges are hereby fixed and determined as the rates, fees and charges to be charged to customers of the water system of the City of Wheeling throughout the entire territory served:

SECTION 1. SCHEDULE OF RATES

RATE SCHEDULE 1

AVAILABILITY OF SERVICE
Available for general domestic, commercial, industrial, and resale service.

RATE

First 1,000 gallons used per month	$ 4.94 per 1,000 gallons
Next 499,000 gallons used per month	$2.295 per 1,000 gallons
Over 500,000 gallons used per month	$1.178 per 1,000 gallons

MINIMUM CHARGE
No bill will be rendered for less than the following amounts according to the size of meter installed:

¾ inch meter	$ 4.94 per month
¾ inch meter	7.43 per month
1 inch meter	12.37 per month
1½ inch meter	24.65 per month
2 inch meter	39.51 per month
3 inch meter	74.07 per month
4 inch meter	123.48 per month
6 inch meter	246.92 per month
8 inch meter	395.06 per month

SERVICE CONNECTION CHARGE
The charge for these items shall be as follows:

SIZE OF TAP	CHARGE
¾ and ¾ inch	$265.50
1 inch and larger	$371.70

RECONNECTION CHARGE
When water service has been discontinued for non-payment of a bill for water or sewer service or fraudulent use of water, water service shall not be restored until all past due water and sewer bill and penalties have been paid in full and a reconnection charge in the amount of Twenty-five Dollars ($25.00) has been paid.

INCREMENTAL LEAK ADJUSTMENT
$0.24 per 1,000 gals. To be used when the bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such unusual consumption above the customer's historic average usage.

RATE SCHEDULE 2

AVAILABILITY OF SERVICE
Available for public and private fire protection service.

RATE

Fire Service Lines:

2 inch or smaller	$ 56.29 per year
3 inch	90.27 per year
4 inch	144.43 per year
6 inch	309.04 per year
8 inch	534.19 per year
10 inch	858.10 per year

HYDRANTS

$148.68 per hydrant

DELAYED PAYMENT PENALTY
The above tariff is net. On all current billings not paid within twenty (20) days, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

SECTION 2. EFFECTIVE DATE

The rates, fees and charges provided herein shall be effective 45 days after the enactment hereof.

SECTION 3. STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the City Clerk shall publish a copy of this Ordinance once a week for 2 successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in a newspaper published and of general circulation in The City of Wheeling, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council on the 21st day of October, 2003, at 7:30 p.m., which date is not less than 10 days subsequent to the date of the first publication of the Ordinance and notice, and present protests. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper on the premises.

The above Ordinance has been introduced at a meeting of Council held October 7, 2003.

Intelligencer, Oct. 11, 25, 2003

STATE OF WEST VIRGINIA,
COUNTY OF OHIO,

I Pat Wrobel for the publisher of the Wheeling Intelligencer newspaper published in the CITY OF WHEELING, STATE OF WEST VIRGINIA, hereby certify that the annexed publication was inserted in said newspaper on the following dates:

10-11-03, 10-25-03

Given under my hand this 28th day of October 2003

Pat Wrobel

Sworn to and subscribed before me this 28th day of October 2003 at WHEELING, OHIO COUNTY, WEST VIRGINIA

Jean Diane Barnes
Notary Public

of, in and for OHIO COUNTY, WEST VIRGINIA

My Commission expires April 12, 2008

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JEAN DIANE BARNES
919 Main Street
Elmwood, West Virginia 26031
My Commission Expires Apr. 12, 2008

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held 19

Wheeling, West Virginia
October 21, 2003

Council of the City of Wheeling met in Council Chambers, City-County Building, on the above date with Mayor Sparachane presiding.

The invocation was offered by Vice-Mayor Nau.

On roll call, the following were present:

Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

Mr. Nau moved, seconded by Mr. Seals, that the minutes of the meeting of October 7, 2003 meeting be approved as received. Motion carried.

Mr. Nau moved, seconded by Mr. Seals, to suspend the regular order of business to conduct a public hearing. Motion carried.

"PUBLIC HEARING - OGLEBAY PARK REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2003"

Mayor Sparachane asked if there was anyone present who wished to speak at this public hearing. There being no one present to speak, Mr. Nau moved, seconded by Mr. Seals, that this public hearing be closed. Motion carried.

Mr. Nau moved, seconded by Mr. Seals, to proceed with the second public hearing. Motion carried.

"PUBLIC HEARING - ADOPTING RATES AND CHARGES - WATER UTILITY SERVICE - ADOPTING RATES AND CHARGES - SEWER UTILITY SERVICE"

Mayor Sparachane asked if there was anyone present to speak at this public hearing. Mr. Charles Ballouz, a resident of Windsor Manor, told Council that he was opposed to any water and sewer rate increases. He believes the City should look at alternative ways to save money, such as cutbacks in staff.

MAYOR'S REPORT

Mayor Sparachane reported that the groundbreaking for Wheeling Heights is tomorrow at 2:30 p.m. He encouraged Council to attend.

Mayor Sparachane reported that Datatrac will be locating in Wheeling at the Ohio Valley Building. This new business will bring approximately 100 to 150 new jobs to the area.

Mayor Sparachane announced that the Wheeling Civic Center will now be known as the Wesbanco Arena.

In other news, Mayor Sparachane reported that demolition has started on the Warwick China Building, demolition is nearly completed on the Blaw Knox facility.

He also reported that development proposals for Center Wheeling were received and are being reviewed.

Mayor Sparachane asked that Council amend the agenda to moved forward the Resolution supporting West Virginia Northern Community College in their "College Square" project.

There being no objection by Council, Mayor Sparachane introduced Dr. John Hunter, president of West Virginia Northern Community College. Dr. Hunter outlined in detail the "College Square" concept. Following Dr. Hunter's presentation, Mayor Sparachane read the following resolution by title:

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING TRAFFIC RULE NO. 3984

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 3984.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

WHEELING HALL OF FAME BOARD

The following was then read:

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $6,000.00 WITH THE WHEELING HALL OF FAME BOARD FOR FY 2003, TO BE CHARGED TO COAL SEVERANCE, HALL OF FAME CONTRIBUTIONS - #002-412-50-568-2260.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

OGLEBAY PARK REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2003

The following was then read:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT MORE THAN $2,325,000.00 AGGREGATE PRINCIPAL AMOUNT OF OGLEBAY PARK REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2003, FOR THE REFUNDING OF THE OGLEBAY PARK REVENUE REFUNDING BONDS, SERIES 1988 (REISSUED BONDS), FOR THE REFUNDING OF THE OGLEBAY PARK COMMERCIAL DEVELOPMENT BONDS, SERIES 1993 (CABIN PROJECT), AND THE FINANCING OF A PORTION OF THE COSTS OF CERTAIN IMPROVEMENTS TO WILSON LODGE LOCATED AT OGLEBAY PARK; PROVIDING FOR THE COSTS OF ISSUANCE OF THE ABOVE BONDS ISSUES; PROVIDING FOR

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING RATES AND CHARGES - WATER UTILITY SERVICE

The following was then read:

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE TREATMENT AND DISTRIBUTION OF POTABLE WATER.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING RATES AND CHARGES - SEWER UTILITY SERVICE

The following was then read:

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES, AND CHARGES THE WATER POLLUTION CONTROL DIVISION OF THE CITY WILL CHARGE ITS CITIZENS AND ITS CUSTOMERS LOCATED OUTSIDE OF ITS CORPORATE LIMITS, FOR THE COLLECTION AND TREATMENT OF SANITARY SEWAGE.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Schmitt, Seals, Henry, Sligar, Nau, Crow - 7

NOES: -0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

UNIFIRST - UNIFORM GARMENT SERVICE - VARIOUS DEPARTMENTS

The following was then read:

Councilors Cliff Sligar, Robert Henry, Barry Crow, City Manager Robert Herron, Assistant City Manager Rita Coyne, Finance Director Michael Klug, Assistant City Solicitor Rosemary Humway-Warmuth, Public Works Director Russell Jebbia, City Clerk Janice Jones and the media.

The following items were discussed:

Proposed Water and Sewer Rate Increases

City Manager Robert Herron explained that Council met several weeks ago in a work session to discuss the proposed increases. Since that work session, the Administration met with outside customers on September 29 to discuss this matter. Mr. Schmitt pointed out that the increase in sewage rates is necessitated because the City is out of compliance in terms of CSO's and the fact that the sewage plant equipment is outdated. Mr. Herron outlined the need for a rate increase as follows:

1) The City is required by the Division of Environmental Protection to build a dechlorination facility;

2) Equipment is worn out or obsolete;

3) A number of CSO's are being eliminated; the Warwood Pump Station is grossly undersized with the amount of flow that is coming through it.

Mr. Herron said that the total project is about $16 million; however, the City has secured a $2.5 million grant. The City also has a verbal commitment from the State to use Revolving Loan Funds for some of these improvements. In response to a question from Mr. Schmitt, Mr. Herron said that with the proposed increased rates, the City of Wheeling will still rank in the 25% to 50% range within the state. This information was compiled by our consulting engineers and the Water Pollution Control Department. Mr. Herron pointed out that we still have a water debt, which has an annual principal and interest payment or debt service payment. He said that under our bond covenant requirements, we are required to have 125% coverage of the annual debt service payment, which we currently do not have. This needs to be addressed with the 3% water increase because the Public Service Commission will no longer allow the City to combine water and wastewater debt for the purposes of debt coverage. Following this discussion, Mr. Schmitt moved, seconded by Mr. Nau, to accept the Administration's recommendations for the Water and Sewer Increases. Motion carried.

A discussion about water run-off from Bethlehem to Idabelle Avenue ensued.

There being no further business to come before the committee, Mr. Nau moved, seconded by Mr. Schmitt, to adjourn. Motion carried. Time: 6:50 p.m.

Mr. Seals moved, seconded by Mr. Nau, approval of the entire report. Motion carried.

RULES COMMITTEE REPORT - OCTOBER 7, 2003

The Rules Committee of Wheeling City Council met on Tuesday, October 7, 2003, at 6:50 p.m. in the Office of the City Manager. Present were Chairman Robert Henry, Vice-Chair Larry Schmitt and Member Vernon Seals. Also present were Mayor Nick Sparachane, Councilors Michael Nau, Cliff Sligar, and Barry Crow, City Manager Bob Herron, Assistant City Manager Rita Coyne, Finance Director Michael Klug, Public Works Director Russell Jebbia, City Solicitor Rosemary Humway-Warmuth, City Clerk Janice Jones and the media.

Proposed Zoning Changes

City Manager Robert Herron previously distributed information regarding proposed zoning changes and Economic and Community Development Director David Klug reviewed the proposed amendments with the committee. They are as follows:

believed to be dangerous, their care and actions by their owners ensued. Definitions of vicious breeds, whether to require the owners to post additional insurance or a surety bond before obtaining a license for the animal, and regulations on the housing, walking and other aspects of their treatment were also discussed. City Solicitor Humway-Warmuth said that she has had correspondence from the American Kennel Association stating their opinion that the "deed" more than the "breed" was a significant factor. She said that they asked that we consider the insurance rates of some dog owners. Ms. Humway-Warmuth said that Morgantown's ordinance is not breed specific. She said that we could use portions of Morgantown's ordinance and incorporate it into our current code section on cats and dogs. Mr. Schmitt said that this ordinance is an excellent start; however, he does not think it is enough. He believes if we wait until "after the fact" then we have waited too long. He also believes specific breeds should be addressed. Mr. Herron said that it would be appropriate to deal with "after the fact" instances regardless of breed and then try to figure out how to prevent attacks based on the potential of a certain breed of attacking someone. No action was taken.

There being no further business, Mr. Schmitt moved to adjourn. Time: 7:27 p.m.

Mr. Henry moved, seconded by Mr. Schmitt, approval of the entire report. Motion carried.

DEVELOPMENT COMMITTEE REPORT - OCTOBER 17, 2003

The Development Committee of Wheeling City Council met on Friday, October 17, 2003, at 8:00 a.m. in the Office of the City Manager. Present were Mayor Nick Sparchane, Chair; Vice-Chair Michael Nau, Member Cliff Sligar, Councilor Vern Seals, City Manager Robert Herron, Assistant City Manager Rita Coyne, Economic and Community Development Director Dave Klug, City Solicitor Rosemary Humway-Warmuth, Sherry Sligar of the City Clerk's Office. Others present were: Ron Bence, Bob Fitzsimmons, Greg Stewart, David Sims, Rev. Stinson and several others.

The following matter was discussed:

Lane Abandonment Request by Ronald F. Bence - Lane F between Sixteenth St. and Lane Thirteen

City Manager Robert Herron recapped the history of Mr. Bence's request. He stated this Committee denied Mr. Bence's original request to build a street all the way through from 16th to 15th Street as it would require the City to assist in the purchase of several properties on 15th Street. Mr. Bence returned with a second request to build a road from 16th Street to Lane 13. The Committee agreed to abandon the lane adjacent to the proposed road with the stipulation that Mr. Bence post bond that the street would be built to City specifications. Mr. Herron noted that he, as well as the Development Committee, were of the understanding that the road would be built to City specifications and then turned over to the City as a public street. Mr. Bence has since informed the City Manager that it is not his intention to build the road and turn it over to the City but to make it available to the public. City Council did consider two readings on an ordinance relevant to this request. However, as a result of Mr. Bence not posting the required bond and some confusion as to whether it would be a public or private street, Council withdrew the ordinance. The purpose of this meeting is to revisit this issue with Mr. Bence present to clarify the matter.

Discussion ensued as to the amount of bond required. Mr. Bence questioned if the bond issue is standard protocol for the City of Wheeling. City Manager Herron remarked the bond is required to insure if the City gives up the Right of Way to a road which is used by the public that there will be a road built adjacent to it. City Solicitor Humway-Warmuth noted that in most abandonment matters the piece of property to be abandoned is not traveled or used as this property is. In answer to a question as to whether Mr. Bence is proposing to give the City a Right of Way for the road, Mr. Bence replied that was correct. City Manager Herron questioned if the Right of Way would be in perpetuity, to which Mr. Bence agreed. Maintenance of the road was then discussed. Mr. Bence remarked that since he would be paying for this project he would be willing to donate the street back to the city if he could get an agreement with the City to assist him with acquiring several existing properties that are in the rear of this project area. In response to a question from Vice-Chair Nau as to Mr. Bence's purpose for this abandonment, Mr. Bence remarked that the present alley is only

Mr. Schmitt pointed out that the City did not actively try to "steal" this business from anyone. Mr. Herron indicated that the leasing process was handled by the majority owner of the Ohio Valley Building, which was OVIBDC. The actual proposal to the Federal Government was formulated by Datatrac. Mr. Schmitt congratulated City Manager Herron on negotiating with Datatrac on the parking at the 10th St. Garage. Mr. Schmitt indicated that this was another reason why it is important that the City retain ownership of the parking system so that parking will be available should prospective businesses need it.

Mr. Herron reported that two proposals were received in response to the City's Request for Proposals for the Center Wheeling Redevelopment Area; one, from THF Realty and the other from the Glimcher Group. Mr. Herron indicated that he has distributed copies of the proposals to Council. A overview of both proposals will be available to the public.

Relevant to the paving contract, Mr. Herron said that Lash Excavating will be starting this week. Paving projects should be completed by mid-November.

Mr. Herron announced that there will be an East Wheeling Neighborhood Clean-Up on Saturday, October 15 at 9:00 a.m.

Mr. Seals inquired about the status of the building demolition projects. The Administration will look into this.

REPORT OF OTHER OFFICERS

Mr. Nau moved, seconded by Mr. Seals, that the Wheeling Traffic Commission Minutes, 10/9/03; CDBG Program Status Report, 9/30/03; HOME Program Status Report, 9/30/03; Revolving Loan Fund - Loan Summary Report, 9/30/03; First Time Homebuyer Loan Program - HOME, 9/30/03; Microenterprise Loan Program - Payment Summary, 9/30/03; and Financial Statement, 9/30/03; be held over until the next meeting. Motion carried.

ORIGINAL PROPOSITIONS

ADOPTING TRAFFIC RULE NO. 3985

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 3985.

ADOPTING TRAFFIC RULE NO. 3986

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 3986.

ADOPTING TRAFFIC RULE NO. 3987

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 3987.

ADOPTING TRAFFIC RULE NO. 3988

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 3988.

Minutes of Meeting

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held October 21, 2003 19

THOSE WISHING TO BE HEARD

There being no further business, Mr. Nau moved, seconded by Mr. Seals, to adjourn. Motion carried. Time: 8:40 p.m.

Janice L. Jones
City Clerk

Nicholas A. Sporachan
Mayor

NOTICE OF PUBLIC HEARING
THE CITY OF WHEELING
NOTICE OF PUBLIC HEARING
ON BOND ORDINANCE

A public hearing will be held at a regular meeting of The City Council of the City of Wheeling (the "City Council") on **Tuesday, April 5, 2005, at 7:30 p.m.** prevailing time, in the Council chambers of the Wheeling City-County Building, located at 1500 Chapline Street, Wheeling, West Virginia, 26003, and at such hearing any person interested may appear before the City Council and present comments, protests and suggestions. All protests, comments and suggestions shall be heard by the City Council and it shall then take such actions at it shall deem proper in the premises regarding an ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS SERIES 2005 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 THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance has been adopted on second reading by the Council of the City at a meeting of Council held on Tuesday, March 15, 2005.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used to provide permanent financing of the costs of acquisition and construction of betterments, additions and improvements to the sewerage portion of the existing combined waterworks and sewerage system of the City and to pay certain costs of issuance of the Bonds and related costs. The Bonds are payable solely from revenues to be derived from the ownership and operation of the operation of the combined waterworks and sewerage 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 Ordinance is on file for review during regular business hours at the office of Janice L. Jones, City Clerk of the City of Wheeling, located at the City-County Building, 1500 Chapline Street, Wheeling, West Virginia 26003.

Dated: March 15, 2005.

By: /s/ **JANICE L. JONES**
City Clerk

Int. March 24, 31, 2005

STATE OF WEST VIRGINIA,
COUNTY OF OHIO.

I Vicki Crawford *for the publisher of the* ***Wheeling Intelligencer*** *newspaper published in the CITY OF WHEELING, STATE OF WEST VIRGINIA, hereby certify that the annexed publication was inserted in said newspaper on the following dates:*

3-24-05, 3-31-05

Given under my hand this 31ST *day of* March, 2005

Vicki Crawford

Sworn to and subscribed before me this 31st *day of* Mar, 2005 *at WHEELING, OHIO COUNTY, WEST VIRGINIA*

Kathleen D Fugate
Notary Public

of, in and for OHIO COUNTY, WEST VIRGINIA.

My Commission expires Mar 22, 2014

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
KATHLEEN D. FUGATE
R.D. 1, Box 125B
Dallas, West Virginia 26036
My Commission Expires Mar. 22, 2014

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held 19

Wheeling, West Virginia
March 15, 2005

Council of the City of Wheeling met in Council Chambers, City-County Building, on the above date with Mayor Sparachane presiding.

The invocation was offered by Vice-Mayor Nau.

On roll call, the following were present:

Sparachane, Delbrugge, Seals, Henry, Nau, Crow - 6

Mr. Nau moved, seconded by Mr. Seals, that the minutes of the October 7, 2003 meeting be approved as received. Motion carried.

Mr. Bush was absent.

MAYOR'S REPORT

Mayor Sparachane reported that the Mayor's Downtown Advisory Committee's B & O Tax Force recently met with the Development Committee to discuss B & O Tax incentives to attract businesses to the downtown area.

Mayor Sparachane presented Alan Miller of the Children's Toy and Train Museum a proclamation recognizing April 2, 2005 as Wheeling Caboose Day in the City of Wheeling.

CLERK'S REPORT

Zone Change Request - 3701 and 3705 Jacob Street - C-1 to C-2

City Clerk Janice Jones presented Council with a Zone Change Request for property located at 3701 and 3705 Jacob Street. The present zone is C-1 Neighborhood Commercial and the proposed zone is C-2 General Commercial. The proposed use is for a coffee shop/ABCC Club. The applicant is Timothy Dolan. Mr. Crow moved, seconded by Mr. Nau, that this matter be referred to the Economic and Community Development Department and the Planning Commission. Motion carried.

UNFINISHED BUSINESS

ADOPTING TRAFFIC RULE NO. 4066

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 4066.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Delbrugge, Seals, Henry, Nau, Crow - 6

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING TRAFFIC RULE NO. 4067

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 4067.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Delbrugge, Seals, Henry, Nau, Crow - 6

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING TRAFFIC RULE NO. 4068

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 4068.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Delbrugge, Seals, Henry, Nau, Crow - 6

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

Mr. Seals asked that a copy of the requests received by the Traffic Commission be forwarded to the Director of the Ohio Valley Regional Transit Authority.

OHIO COUNTY BUILDING COMMISSION - LEASE OF OFFICE SPACE - ANNEX BLDG. - FY 2004-05

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXPEND FUNDS IN AN AMOUNT NOT TO EXCEED $17,290.00 WITH THE OHIO COUNTY BUILDING COMMISSION, OF WHEELING, WV, FOR THE LEASE OF OFFICE SPACE IN THE OHIO COUNTY ANNEX BUILDING FOR FISCAL YEAR 2004-2005, TO BE CHARGED TO RECREATION - #001-908-20-219-2147 ($10,040.00) AND CDBG 2004-2005 PUBLIC SERVICES - #1511-004-160 ($7,250.00).

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

prohibited all motorized vehicles. Ms. Humway said that the definitions contained herein have been approved by the West Virginia Department of Highways in regard to "motorized scooters." After receiving comment from committee members and members of Council, three different options were considered: (1) total prohibition; (2) permit them with various restraints and (3) integrate them into existing code, Article 373, along with bicycles and skateboards (attached). An ordinance with the proposed options was drafted and circulated to the committee for discussion (attached). Exceptions had been created for small children utilizing motorized toys with their parents or guardians and for wheelchair use by handicapped individuals. By incorporating scooters into the existing code, all of the rules that apply to bicycles and skateboards will apply to motorized scooters, such as helmets, head gear, signals, rules of the road, etc. Police Chief Kevin Gessler's concerns about parental responsibility and the ability to confiscate scooters were addressed in the "penalties" section by incorporating scooters into the existing code along with bicycles and skateboards. Mr. Seals believes there should be a total ban and a separate section pertaining to motorized scooters. In addition, he suggests enhanced penalties after one offense.

The Committee was reminded that the ordinance based upon the City of Charleston that was initially proposed was a total ban. In response to a question from Mrs. Delbrugge, City Manager Robert Herron said that this proposed ordinance would permit riding of scooters on private property. In answer to another question, Ms. Humway said that, under the penalties section, an adult could be held accountable should there be a violation of this section. Following a lengthy discussion, Mr. Seals moved that this Committee recommend to Council an ordinance be proposed for adoption which would provide for a total ban of motorized vehicles on public property, seconded by Mrs. Delbrugge. Motion carried.

The Committee moved acceptance of this portion of the report. Motion carried.

There being no further business, Mr. Seals moved, seconded by Mrs. Delbrugge, to adjourn. Time: 4:37 p.m.

The Committee moved acceptance of the entire report. Motion carried.

DEVELOPMENT COMMITTEE REPORT - MARCH 10, 2005

The Development Committee of Wheeling City Council met on Thursday, March 10, 2005 at 12:00 Noon in the Office of the City Manager. Present were: Chair Nick Sparachane, Vice Chair Michael Nau, Member Barry Crow, Councilor Gloria Delbrugge, City Manager Robert Herron, Assistant City Manager Rita Coyne, City Solicitor Rosemary Humway-Warmuth, Finance Director Michael Klug, City Clerk Janice Jones and the media. Others present: B & O Task Force Chair Larry Bandi and local businessman, Joe Santinoceto.

The following matters were discussed:

Downtown Wheeling Economic Development Advisory Board - B & O Task Force Update

Larry Bandi, B & O Tas Force Chair, outlined the process whereby the Downtown Wheeling Economic Development Advisory Board arrived at the formation of the various items which they believed should be studied further. As a result of public sector meetings, eight universal items were identified. They are as follows:

1) City Assistance in Development
2) Back Office Operations
3) B & O Tax
4) Building Inspection
5) Combined Marketing Strategy
6) Downtown Business Association
7) Downtown Living
8) Entertainment

As Chair of the B & O Task Force, Mr. Bandi said that the goal of the task force was to come up with a way of addressing B & O taxes in the city to directly benefit the downtown district while keeping in mind the main goals of the Downtown Wheeling Economic Development Advisory

REPORT OF OTHER OFFICERS

Mr. Nau moved, seconded by Mr. Seals, that the Municipal Auditorium Board Minutes, 01/24/05; WesBanco Arena Income Statement - 01/31/05; Wheeling Municipal Parking System Financial Statement - 01/31/05; Robert C. Byrd Intermodal Transportation Center Financial Statement - 01/31/05; Financial Statement - 02/28/05; be held over until the next meeting. Motion carried.

ORIGINAL PROPOSITIONS

COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005A FOR IMPROVEMENTS AT THE WATER POLLUTION CONTROL DIVISION

The following was then read:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 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 BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

MET ELECTRICAL TESTING CO. - TESTING OF SWITCH GEARS - WPCD

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $8,687.00 WITH MET ELECTRICAL TESTING CO., OF CRANBERRY TOWNSHIP, PA, FOR ELECTRICAL TESTING ON VARIOUS SWITCH GEARS, AS PER BID SPECIFICATIONS, TO BE CHARGED TO WATER POLLUTION CONTROL DIVISION - #70-2-780-764-2-62.

PROPERTY ACQUISITION - 2146 2148 MAIN STREET (MY CLUB) VIRGINIA CORKRAN (CDBG)

The following was then read:

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO A REAL ESTATE SALES CONTRACT WITH VIRGINIA A. CORKRAN AND TO EXPEND FUNDS IN THE AMOUNT OF $110,000.00 FOR THE ACQUISITION AND PURCHASE OF REAL PROPERTY

RECORD OF PROCEEDINGS

Minutes of March 15, 2005 Meeting

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held 19

RESOLUTION - ADOPTING FY 2005-06 GENERAL FUND BUDGET

The following was then read:

A RESOLUTION OF THE COUNCIL OF THE CITY OF WHEELING APPROVING THE FY 2005-2006 GENERAL FUND BUDGET.

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

RESOLUTION - PARTICIPATION IN NORTHERN PANHANDLE HOME CONSORTIUM - FY 05-06

The following was then read:

A RESOLUTION OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING PARTICIPATION IN THE NORTHERN PANHANDLE HOME CONSORTIUM FOR THE PERIOD OF JULY 1, 2005 TO JUNE 30, 2006.

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

RESOLUTION - WHEELING CITY OF LIGHTS FESTIVAL - LOCAL ECONOMIC DEVELOPMENT ASSISTANCE GRANT PROGRAM - FY 2004

The following was then read:

A RESOLUTION AUTHORIZING THE CITY OF WHEELING TO RECEIVE $8,000.00 FROM THE LOCAL ECONOMIC DEVELOPMENT ASSISTANCE GRANT PROGRAM FUNDS - FISCAL YEAR 2004 - WHEELING CITY OF LIGHTS FESTIVAL.

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

RESOLUTION-CIVIC CENTER GENERAL OBLIGATION BONDS SERIES 2003A-ADVANCE OF FUNDS - J.D.E., INC.

The following was then read:

A RESOLUTION OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $181,485.00 FROM THE CITY OF WHEELING CIVIC CENTER GENERAL OBLIGATION BONDS, SERIES 2003A WITH J.D.E., INC., FOR COSTS ASSOCIATED WITH CIVIC CENTER IMPROVEMENTS.

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

There being no further business, Mr. Nau moved, seconded by Mr. Seals, to adjourn. Motion carried. Time: 8:05 p.m.

Janice L. Jones
City Clerk

Nicholas A. Iapoce
Mayor

DAYTON LEGAL BLANK CO., FORM NO. 10128

Held 19

Wheeling, West Virginia
March 1, 2005

Council of the City of Wheeling met in Council Chambers, City-County Building, on the above date with Vice Mayor Michael Nau presiding.

The invocation was offered by Sixth Ward Councilor Barry Crow.

On roll call, the following were present:

Delbrugge, Seals, Henry, Bush, Nau, Crow - 6

Mayor Sparachane will be arriving shortly.

Mr. Seals moved, seconded by Mr. Bush, that the minutes of the February 15, 2005 meeting be approved as received. Motion carried.

CLERK'S REPORT

Zone Change Request - 1 Community Street - E-M-O to C2

City Clerk Janice Jones presented Council with a Zone change Request for property located a 1 Community Street. The present zone is E-M-O Educational-Medical-Office and the Proposed zone is C-2 General Commercial. The proposed use is for a restaurant and bar. Mr. Crow moved, seconded by Mr. Bush, to refer this to the Economic and Community Development Department and the Planning Commission. Motion carried.

UNFINISHED BUSINESS

DAQ ELECTRONICS - REPAIR OF HIGH VOLTAGE TELEMETER CABLE - WATER TREATMENT PLANT

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $11,420.00 WITH DAQ ELECTRONICS, OF PISCATAWAY, NJ, FOR REPAIR OF HIGH VOLTAGE TELEMETER CABLE AT WATER TREATMENT PLANT, TO BE CHARGED TO MAINTENANCE ESCROW FUND 128.01.0/G-9326-321.

The ordinance was read a second time by title. Mr. Seals moved, seconded by Mr. Bush, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Delbrugge, Seals, Henry, Bush, Nau, Crow - 6

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ALLSTAR ENVIRONMENTAL SERVICES, LLC - ASBESTOS INSPECTIONS 2004-2006, CONTRACT 1 (CDBG)

The following was then read:

March 1, 2005

TO BE CHARGED TO HOMELAND SECURITY GRANT - #976-40-459-9039.

The ordinance was read a second time by title. Mr. Seals moved, seconded by Mr. Crow, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Delbrugge, Seals, Henry, Bush, Nau, Crow - 6

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

SEAARK MARINE - COMMANDER-V RESCUE BOAT - POLICE DEPARTMENT (HOMELAND SECURITY GRANT)

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $82,451.00 WITH SEA ARK MARINE, OF MONTICELLO, AK, FOR ONE 25 FT. COMMANDER-V RESCUE BOAT, PER SPECIFICATIONS, FOR THE POLICE DEPARTMENT, TO BE CHARGED TO HOMELAND SECURITY GRANT - #976-40-459-4041.

The ordinance was read a second time by title. Mr. Seals moved, seconded by Mr. Crow, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Seals, Henry, Bush, Nau, Crow - 5

NOES: Delbrugge - 1

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

STALEY COMMUNICATIONS, INC. - 200 BATTERIES & CHARGERS - POLICE DEPT. (HOMELAND SECURITY)

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $30,037.00 WITH STALEY COMMUNICATIONS, INC., OF WHEELING, WV, FOR 200 BATTERIES WITH CHARGERS AND TRAINING IN MAINTENANCE OF SYSTEM , FOR THE POLICE DEPARTMENT, TO BE CHARGED TO HOMELAND SECURITY GRANT - #976-40-459-4040.

The ordinance was read a second time by title. Mr. Seals moved, seconded by Mr. Crow, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

REPORT OF CITY MANAGER

City Manager Herron announced that the Public Agencies' requests for Community Development Block Grant Funds are laid on the table this evening for Council's review. The Administration's proposed budget was made available today for the public. A public hearing on the proposed budget will be held on March 7th, after which the Administration will take into account public comments and then submit it to City Council on March 11. A work session is scheduled for next Tuesday so that Council can take a look at the proposed budget and make any changes or comments. The final budget will be presented to Council on April 19th.

City Manager Herron reminded Council that on March 9, at 1:00 p.m., in Council Chambers, the West Virginia Department of Transportation, Division of Highways, will be holding a meeting to discuss the upcoming tunnel restoration project. Following this meeting, there will be a meeting for the public at Wesbanco Arena at 4:00 p.m.

REPORT OF OTHER OFFICERS

Mr. Seals moved, seconded by Mr.Bush, that the Wheeling Human Rights Commission Minutes, 01/10/05; Wheeling Housing Authority Minutes, 12/08/05; Wheeling Traffic Commission Minutes, 02/10/05; CDBG Building Demolition Status Report, 02/17/05; and the Planning Commission Report, 01/23/05; be held over until the next meeting. Motion carried.

ORIGINAL PROPOSITIONS

ADOPTING TRAFFIC RULE NO. 4066

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 4066.

ADOPTING TRAFFIC RULE NO. 4067

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 4067.

ADOPTING TRAFFIC RULE NO. 4068

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING TRAFFIC RULE NO. 4068.

OHIO COUNTY BUILDING COMMISSION - LEASE OF OFFICE SPACE - ANNEX BLDG. - FY 2004-05

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXPEND FUNDS IN AN AMOUNT NOT TO EXCEED $17,290.00 WITH THE OHIO COUNTY BUILDING COMMISSION, OF WHEELING, WV, FOR THE LEASE OF OFFICE SPACE IN THE OHIO COUNTY ANNEX BUILDING FOR FISCAL YEAR 2004-2005, TO BE CHARGED TO RECREATION - #001-908-20-219-2147 ($10,040.00) AND CDBG 2004-2005 PUBLIC SERVICES - #1511-004-160 ($7,250.00).

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held March 1, 2005 19

REIMBURSEMENT RESOLUTION RELATING TO THE ISSUANCE OF TAX-EXEMPT TAX INCREMENT FINANCING BONDS OR OTHER OBLIGATIONS FOR THE CENTER WHEELING SITE PREPARATION AND REHABILITATION (GGP) PROJECT.

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

THOSE WISHING TO BE HEARD

Chuck Prascik, Valley View Addition, addressed Council again about the slip on 3rd Street in Valley View Addition. Mr. Prascik would like to know where he could get copies of any and all paperwork dealing with the slip on Third Street. Mr. Prascik believes that the initial slip was caused by the sewer line. He would like to have some resolution to this problem.

Lambert T. Jones, II, property owner of the house at 81 Sligar Avenue, also addressed Council about the slip in the Third Street area and the damage to his house. He would also like to see some progress toward fixing this slip.

Public Works Director Russell Jebbia said that FEMA has verbally authorized the City to proceed with this project; however, they are having a problem getting a drilling rig to the site, as the companies that have these rigs have been kept extremely busy because of all the slips throughout the valley.

There being no further business, Mr. Nau moved, seconded by Mr. Seals, to adjourn. Motion carried. Time: 8:04 p.m.

Janice L. Jones
City Clerk

Nicholas A. Sposaro
Mayor

RECORD OF PROCEEDINGS

Minutes of Meeting

DAYTON LEGAL BLANK CO., FORM NO. 10148

Held 19

Wheeling, West Virginia
April 5, 2005

Council of the City of Wheeling met in Council Chambers, City-County Building, on the above date with Mayor Sparachane presiding.

The invocation was offered by Vice-Mayor Nau.

On roll call, the following were present:

Sparachane, Delbrugge, Seals, Henry, Bush, Nau, Crow - 7

Mr. Nau moved, seconded by Mr. Seals, that the minutes of the March 15, 2005, meeting be approved as received. Motion carried.

Mr. Nau moved, seconded by Mr. Seals, to suspend the regular order of business to conduct a public hearing. Motion carried.

"PUBLIC HEARING - COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005A FOR IMPROVEMENTS AT THE WATER POLLUTION CONTROL DIVISION PLANT"

Mayor Sparachane asked if there was anyone present to speak at this public hearing. There being no one present to speak, Mr. Nau moved, seconded by Mr. Seals, to conclude the public hearing and resume the regular order of business. Motion carried.

MAYOR'S REPORT

Mayor Sparchane welcomed students from Wheeling Jesuit University who were attending the Council meeting.

Mayor Sparchane commented regarding the proposed Marriott hotel to be built in Woodsdale, and noted that demand for lodging has risen with the increase in tourism in the Wheeling area.

Mayor Sparchane congratulated City Manager Herron and staff on their hard work relevant to keeping the Nailers Hockey Team in Wheeling.

Mayor Sparchane then read a Proclamation declaring April as Fair Housing Month in the City of Wheeling.

CLERK'S REPORT

Notice of Application to Operate a Private Club - Ye Olde Alpha, Inc. - 50 Carmel Road

Acting City Clerk Lisa Gruber presented Council with a Notice of Application to Operate a Private Club for Ye Olde Alpha, Inc., located at 50 Carmel Road. The applicant is Charles Schlegel.

Notice of Application to Operate a Private Club - Becky's Club - 86 Sixteenth Street

Acting City Clerk Gruber presented Council with a Notice of Application to Operate a Private Club for Becky's Café, located at 86 Sixteenth Street. The applicant is Rebecca Gheen.

Notice of Application to Operate a Private Club - Lily's - 1011 Mt. DeChantal Road

Acting City Clerk Gruber presented Council with a Notice of Application to Operate a Private Club for Lily's, located at 1011 Mt. DeChantal Road. The applicants are Christopher Dean and John Del Grande.

Zone Change Request - 160 Waddles Run Road - R-1A to C-2

Acting City Clerk Gruber presented Council with a Zone Change Request for property located at 160 Waddles Run Road. The present zone is R-1A Family Residential and the proposed zone is C-2 General Commercial. The proposed use is for an office. The applicant is Robert Kennen. Mr. Crow moved, seconded by Mr. Nau to refer this request to the Economic and Community Development Department and the Planning Commission. Motion carried.

UNFINISHED BUSINESS

COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005A FOR IMPROVEMENTS AT THE WATER POLLUTION CONTROL DIVISION

The following was then read:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $16,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 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 BOND PURCHASE 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 ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Delbrugge, Seals, Henry, Bush, Nau, Crow - 7

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

MET ELECTRICAL TESTING CO. - TESTING OF SWITCH GEARS - WPCD

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $8,687.00 WITH MET ELECTRICAL TESTING CO., OF CRANBERRY TOWNSHIP, PA, FOR ELECTRICAL TESTING ON VARIOUS SWITCH GEARS, AS PER BID SPECIFICATIONS, TO BE CHARGED TO WATER POLLUTION CONTROL DIVISION - #70-2-780-764-2-62.

ALMAR - FIRE/RESCUE BOAT - FIRE DEPARTMENT (HOMELAND SECURITY GRANT)

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $79,999.00 WITH ALMAR OF ROSEBURG, OR, FOR ONE 24 FT. FIRE/RESCUE BOAT, PER SPECIFICATIONS, FOR THE FIRE DEPARTMENT, TO BE CHARGED TO HOMELAND SECURITY GRANT - #976-40-459-9042.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Delbrugge, Seals, Henry, Bush, Nau, Crow - 7

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

ADOPTING COAL SEVERANCE BUDGET - FY 2005-06

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING ADOPTING THE COAL SEVERANCE FUND BUDGET FOR THE FISCAL YEAR 2005-2006.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

The vote on the motion being by roll call resulted as follows:

AYES: Sparachane, Delbrugge, Seals, Henry, Bush, Nau, Crow - 7

NOES: - 0

A majority of all those elected to Council having voted in favor, the Mayor thereupon declared the ordinance adopted.

COMMUNICATIONS APPLIED TECHNOLOGY - INTERFACE UNIT - FIRE DEPARTMENT (HOMELAND SECURITY GRANT)

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN THE AMOUNT OF $11,374.30 WITH COMMUNICATIONS APPLIED TECHNOLOGY, OF RESTON, VA, FOR COMMUNICATIONS INTERFACE UNIT WITH ACCESSORIES FOR THE FIRE DEPARTMENT, TO BE CHARGED TO HOMELAND SECURITY GRANT - #976-40-459-9044.

The ordinance was read a second time by title. Mr. Nau moved, seconded by Mr. Seals, that the ordinance be adopted.

REPORT OF COMMITTEES

FINANCE COMMITTEE REPORT - MARCH 15, 2005

The Finance Committee of Wheeling City Council met on Tuesday, March 15, 2005 at 7:00 p.m. in the Office of the City Manager. Committee Members present: Chairman Vernon Seals and Vice Chair Michael Nau. Others present: Mayor Nick Sparachane, Councilors Gloria Delbrugge, Robert Henry, Barry Crow, City Manager Robert Herron, Assistant City Manager Rita Coyne, Finance Director Michael Klug, Public Works Director Russell Jebbia, City Clerk Janice Jones and the media.

The following matters were discussed:

General Fund Budget - FY 2005-2006

City Manager Robert Herron distributed the Budget, along with the Levy Estimate to those present. He said that the only change since the work session on March 8th is that final figures have been received from the Ohio County Assessor's Office in regard to property tax revenues. The difference of approximately $14,000 will be reflected in the cash carry over for next year. Mr. Nau moved, seconded by Mr. Seals, to accept the amendment to the General Fund Budget - FY 2005-2006. Motion carried. Mr. Seals then moved, seconded by Mr. Nau, to accept the General Fund Budget - FY 2005-2006 as presented. Motion carried.

The Committee moved acceptance of this portion of the report. Motion carried.

Coal Severance Fund Budget - FY 2005-2006

City Manager Herron also distributed the Coal Severance Budget to the Committee and Council members present. A discussion ensued in regard to creek dredging. Mr. Herron said that permits for creek dredging have not been approved. Mr. Seals asked the Administration to explore the possibility of allocating funds set aside for creek dredging to the Sternwheel Festival, only if they were not going to be used for creek dredging. Following a brief discussion, Mr. Nau moved, seconded by Mr. Seals, to accept the Coal Severance Fund Budget - FY 2005-2006 as presented. Motion carried.

The Committee moved acceptance of this portion of the report. Motion carried.

Financial Statement - February 2005

City Manager Herron reviewed the Financial Statement in detail with the Committee. In comparing figures of the current year with prior years, Mr. Herron said that percentages for revenues and expenditures are similar to the past couple of years. Following a brief discussion, Mr. Nau moved, seconded by Mr. Seals, to accept the February 2005 Financial Statement as presented. Motion carried.

The Committee moved acceptance of this portion of the report. Motion carried.

There being no further business to come before the Committee, Mr. Nau moved to adjourn. Time: 7:15 p.m.

The Committee moved acceptance of the entire report. Motion carried.

REPORT OF CITY MANAGER

City Manager Herron reported that he was in Charleston and met with Department of Highways officials as well as Senators McKenzie and Bowman and Delegate White. One of the subjects discussed was the Wheeling Tunnel project. Mr. Herron advised the DOH has accepted the City's suggestion to close and work on one tunnel during the months of January through April, then close and work on the other tunnel the following January through April. Mr. Herron noted there is still an opportunity for public comment to the DOH on this project. The Washington

ROBINSON PIPE CLEANING - SEWER LINE CLEANING - 2004 FLOOD (WPCD)

The following was then read:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXPEND FUNDS IN AN AMOUNT NOT TO EXCEED $120,650.00 WITH ROBINSON PIPE CLEANING CO., OF EIGHTY FOUR, PA FOR SEWER LINE CLEANING AT VARIOUS LOCATIONS ASSOCIATED WITH THE FEDERAL DISASTER DECLARATION NO. 1558, TO BE CHARGED TO WATER POLLUTION CONTROL DIVISION - #70-01-300-301-04-0001 FLOOD RELATED SEWER CLEANING

MUNICIPAL COUNCIL LEVY ESTIMATE - FY 2005-2006

The following was then read:

AN ORDINANCE OF THE MUNICIPAL COUNCIL LEVY ESTIMATE PRESCRIBED BY THE TAX COMMISSIONER OF THE STATE OF WEST VIRGINIA KNOWN AS THE ANNUAL APPROPRIATION FOR BUDGET FISCAL YEAR 2005-2006 WHEELING MUNICIPALITY, OHIO COUNTY.

AMENDING CODIFIED ORDINANCES - CHAPTER 3 TRAFFIC CODE BY ADDING ARTICLE 374 MOTORIZED SCOOTERS

The following was then read:

AN ORDINANCE AMENDING THE CODIFIED ORDINANCES OF THE CITY OF WHEELING, AMENDING AND REENACTING PART THREE - TRAFFIC CODE, BY ADDING THERETO A NEW ARTICLE, DESIGNATED ARTICLE 374, RELATING TO MOTORIZED SCOOTERS.

RESOLUTION - DIVISION OF CRIMINAL JUSTICE - UNDERAGE DRINKING LAWS GRANT APPLICATION

The following was then read:

A RESOLUTION OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION TO THE GOVERNOR'S COMMITTEE ON CRIME, DELINQUENCY, AND CORRECTION FOR THE UNDERAGE DRINKING LAWS GRANT PROGRAM.

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

RESOLUTION - COMBINED WATERWORKS & SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003A - ADVANCE OF FUNDS - GANNETT FLEMING, INC. (WATER)

The following was then read:

A RESOLUTION AUTHORIZING AN ADVANCE FROM THE COMBINED WATERWORKS & SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003A IN THE AMOUNT OF $31,203.00 TO THE WATER DEPARTMENT'S DESIGN FUND AT BB & T TO PAY AMOUNTS DUE AND OWING TO GANNETT FLEMING, INC.

Minutes of Meeting

DAYTON LEGAL BLANK CO. FORM NO. 10148

Held April 5, 2005 19

Mr. Nau moved, seconded by Mr. Seals, that the Resolution be adopted. Motion carried.

There being no further business, Mr. Nau moved, seconded by Mr. Seals, to adjourn. Motion carried. Time: 8:02 p.m.

Janice L. Jones
City Clerk

Nicholas A. Sporcic
Mayor

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

MINUTES ON ADOPTION OF
THE SUPPLEMENTAL RESOLUTION

The undersigned City Clerk of the City of Wheeling (the "City") hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said City:

*** *** ***

The Council of the City met in regular session, pursuant to notice duly posted, on the 28th day of April, 2005, in Wheeling, West Virginia, at the hour of 6:30 p.m.

PRESENT:	Nick Sparachane	-	Mayor
	Janice L. Jones	-	City Clerk
	Robert Herron	-	City Manager
	Barry Crow	-	Councilmember
	Michael Nau	-	Councilmember
	Robert Henry	-	Councilmember
	Vernon Seals	-	Councilmember
	Brent Bush	-	Councilmember
	Gloria Delbrugge	-	Councilmember

ABSENT: None.

Nick Sparachane, Mayor, presided, and Janice L. Jones, acted as City Clerk. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

The Mayor presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF WHEELING; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Vernon Seals and seconded by Robert Henry, it was unanimously ordered that the said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

*** *** ***

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of the City of Wheeling and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 3rd day of May, 2005.

City Clerk

04/21/05
964250.00019

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: May 3, 2005

(See Reverse for Instructions)

ISSUE: City of Wheeling Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia (SRF Program)

ADDRESS: 1500 Chapline Street, Wheeling, WV 26003 COUNTY: Ohio and Marshall

PURPOSE OF ISSUE: New Money: X
Refunding: _____

REFUNDS ISSUE(S) DATED: _____

ISSUE DATE: May 3, 2005

CLOSING DATE: May 3, 2005

ISSUE AMOUNT: $14,500,000

RATE: 2%; Admin Fee: 1%

1ST DEBT SERVICE DUE: March 1, 2007

1ST PRINCIPAL DUE: March 1, 2007

1ST DEBT SERVICE AMOUNT: $220,357.00

PAYING AGENT: West Virginia Municipal Bond Commission

BOND
COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins
Phone: (304) 624-8161

UNDERWRITERS
COUNSEL: Jackson Kelly PLLC
Contact Person: Samme Gee
Phone: (304) 340-1080

CLOSING BANK: Branch Banking and Trust Company
Contact Person: Leslie Judge
Phone: (304) 232-1234 ex. 141

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Robert Herron
Position: City Manager
Phone: (304) 234-3616

OTHER: West Virginia Department of Environmental Protection
Contact Person: Rosalie Brodersen
Function: Programs Mgr. (SRF)
Phone: (304) 926-0499 (ext. 1608)

DEPOSITS TO MBC AT CLOSE:
By: _____ Wire
_____ Check
____ Accrued Interest: $_____
____ Capitalized Interest: $_____
___ Reserve Account: $_____
____ Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: _____ Wire
_____ Check
_____ IGT
____ To Escrow Trustee: $_____
____ To Issuer $_____
____ To Cons. Invest. Fund $_____
____ To Other: _____ $_____

NOTES: The Series 2005 A Bonds Reserve Account will be funded over 10 years.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specificed by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

04/25/05
964250.00019

FILE COPY

Form **8038-G** (Rev. November 2000)
Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.
Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▶ ☐

1 Issuer's name: **City of Wheeling**	2 Issuer's employer identification number: **55 6000271**	
3 Number and street (or P.O. box if mail is not delivered to street address): **1500 Chapline Street**	Room/suite	4 Report number: **3 - 01**
5 City, town, or post office, state, and ZIP code: **Wheeling, West Virginia 26003**		6 Date of issue: **May 3, 2005**
7 Name of issue: **Combined Waterworks and Sewerage Sys. Rev. Bonds, Series 2005 A (WV SRF Program)**		8 CUSIP number: N/A
9 Name and title of officer or legal representative whom the IRS may call for more information: **Robert Herron, Chairman**	10 Telephone number of officer or legal representative: **(304) 234.3617**	

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☑ Environment (including sewage bonds)	15	14,500,000
16	☐ Housing	16	
17	☐ Utilities	17	
18	☐ Other. Describe ▶	18	
19	If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

RECEIVED IRS-CO 838 MAY 13 2005 OGDEN, UT

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12-1-2026	$ 14,500,000	$ 14,500,000	12.366 years	2.0103732 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	-0-
23	Issue price of entire issue (enter amount from line 21, column (b))			23	14,500,000
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	60,000		
25	Proceeds used for credit enhancement	25	-0-		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	-0-		
27	Proceeds used to currently refund prior issues	27	-0-		
28	Proceeds used to advance refund prior issues	28	-0-		
29	Total (add lines 24 through 28)			29	60,000
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	14,440,000

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	N/A	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	N/A	years
33	Enter the last date on which the refunded bonds will be called ▶	N/A	
34	Enter the date(s) the refunded bonds were issued ▶		

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	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 designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐		
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐		
40	If the issuer has identified a hedge, check box ▶ ☐		

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.

Signature of issuer's authorized representative — Date: May 3, 2005 — **Nick Sparachane, Mayor** (Type or print name and title)

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

The Branch Banking and Trust Company, Wheeling, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the City of Wheeling (the "Issuer") enacted by the Issuer on April 5, 2005, and a Supplemental Resolution adopted by the Issuer on April 28, 2005 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), dated May 3, 2005, issued in the original aggregate principal amount of $14,500,000 (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 3rd day of May, 2005.

BRANCH BANKING AND TRUST COMPANY

By: _____
Its: Authorized Officer

04/21/05
964250.00019

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of the City of Wheeling (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) of the Issuer, dated May 3, 2005, in the principal amount of $14,500,000, 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 The Huntington National Bank, as Registrar.

WITNESS my signature on this 3rd day of May, 2005.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

04/21/05
964250.00019

CITY OF WHEELING

Combined Waterworks and
Sewerage System Revenue Bonds, Series 2005 A
(West Virginia SRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of May 3, 2005, by and between the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $14,500,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program) in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted April 5, 2005, and a Supplemental Resolution of the Issuer duly adopted April 28, 2005 (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. 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.

5. 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.

6. 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 Wheeling
City County Building
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: Mayor

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attn: Corporate Trust Department

7. The Registrar is hereby requested and authorized to authenticate, register and deliver the Bonds in accordance with the Bond Legislation.

8. This document may be executed in one or more counterparts each of which shall be deemed an original and all of which shall constitute but one and the same document.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

CITY OF WHEELING

By: _____
Its: Mayor

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

04/21/05
964250.00019

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(Please see the attached)

Private Financial Group
P. O. Box 633 WE3013
Charleston, West Virginia 25322-0633

Huntington

STATEMENT OF TRUSTEE'S FEES
Invoice Date May 3, 2005

City of Wheeling
Account Number 6089001809

City of Wheeling
Combined Waterworks and Sewerage
System Revenue Bond, Series 2005 A
C/O John C. Stump
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

****

FEE CALCULATION FOR May, 2005

****

TOTAL AMOUNT	$	500.00
TOTAL DUE	**$**	**500.00**

* FEE INVOICES ARE PAYABLE WITHIN 30 DAYS. IF PAYMENT *
* IS NOT RECEIVED, FEES WILL BE DEDUCTED FROM THE PLAN *
* .. MAIL CHECK TO: HUNTINGTON NATIONAL BANK, ATTN: DEBRA . . *
* .. BOWDEN, PO BOX 633, CHARLESTON, WV 25322-0633 . . . . . *

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304)348-5035

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER RESOURCES
1201 GREENBRIER STREET
CHARLESTON, WV 25311

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
WATER POLLUTION CONTROL PERMIT

NPDES PERMIT NO.: WV0023230
SUBJECT: Sewage

ISSUE DATE: July 25, 2001
EFFECTIVE DATE : August 24, 2001
EXPIRATION DATE: July 24, 2005
SUPERSEDES: Permit No. WV0023230 dated December 11, 1995

LOCATION: WHEELING	Ohio	Upper Ohio River 2
(City)	**(County)**	**(Drainage Basin)**

See the next page for a list of Outlets.

TO WHOM IT MAY CONCERN:

This is to certify that: WHEELING CITY OF
PO BOX 6348
WHEELING, WV 26003-0613

is hereby granted a West Virginia NPDES Water Pollution Control Permit to:

Operate and maintain an existing 10.0 MGD sewage collection and treatment system consisting of 1,950,000 feet of two (2) to seventy two (72) inch sewer lines, 1,243 linear feet of two (2) inch, 150 linear feet of four (4) inch, 50 linear feet of eight (8) inch and 300 linear feet of twenty (20) inch force mains, 13 lift stations, three (3) bar screens, two (2) aerated grit chambers, two (2) primary clarifiers with a total volume of 1,553,091 gallons, two (2) aeration chambers with a total volume of 1,772,760 gallons, four (4) secondary clarifiers with a total volume of 2,072,379 gallons, chlorine disinfection, two (2) contact tanks with a total volume of 261,000 gallons, two (2) anaerobic digestors with a total volume of 1,940,288 gallons, two (2) sludge thickeners with a total volume of 86,546 gallons, two (2) cyclone degritters, two (2) grit classifiers, two (2) 1.5 meter filter belt presses, and all other necessary appurtenances. Also, to implement a POTW Pretreatment Program.

Facilities are designed to serve 150,000 persons in the City of Wheeling, Bethlehem, Triadelphia, Clearview, Benwood, and Ohio County PSD #1 and discharge the treated wastewater to the Ohio River at Milepoint 90.8.

This permit is subject to the following terms and conditions :

The information submitted on and with Permit Application No. WV0023230, dated the 22nd day of June 2000, are hereby made terms and conditions of this Permit with like effect as if all such Permit Application information was set forth herein, and with other conditions set forth in Sections A, B, C, D, E, F, and Appendix A.

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.

Division of Water and Waste Management
1201 Greenbrier Street
Charleston, WV 25311-1088
Telephone Number: (304) 558-2107
Fax Number: (304) 558-5905

West Virginia Department of Environmental Protection

Bob Wise
Governor

Stephanie R. Timmermeyer
Acting Cabinet Secretary

January 31, 2003

RECEIVED
FEB 03 2003
WPCO

Mr. Albert King Campbell
City of Wheeling
PO Box 6348
Wheeling, WV 26003

Re: Permit Application No. WV0023230
Modification No. 1
Ohio County

Dear Mr. Campbell:

Your forms for Permit Application No. WV0023230 for a WV/NPDES Water Pollution Control Permit modification have been found to be complete.

For your information, the public notice period prescribed in Title 47, Series 10, Section 12.1.b of the West Virginia Legislative Rules issued pursuant to Chapter 22, Article 11 commences on the ***6th day of February in the Intelligencer.***

Within twenty (20) days after publication of the public notice, you are to send to the Office a certificate of publication. This should be sent to:

Director, Division of Water Resources, DEP
Attention: Anne Howell, Public Information Specialist
1356 Hansford Street
Charleston, WV 25311-1088

Enclosed are copies of your draft permit, any required fact sheet and the public notice. If you have any questions, please do not hesitate to contact this office at 304-558-4086 or our Public Information Office at 304-558-4253, or by TDD at 304-558-2751.

Very truly yours,

Belinda Beller

Belinda Beller
Permit Support Team

bb

Enclosures

cc: Environmental Insp Supv.
Environmental Insp.-Ohio County
Orsanco

Division of Water and Waste Management
414 Summers Street, 2nd Floor
Charleston, WV 25301
Telephone Number: (304) 558-4086
Fax Number: (304) 558-5903

West Virginia Department of Environmental Protection

Bob Wise
Governor

Stephanie R. Timmermeyer
Cabinet Secretary

December 1, 2003

Mr. Albert King Campbell
City of Wheeling
P.O. Box 6348
Wheeling, WV 26003

Re : WV/NPDES Permit No. WV0023230 Modification No.1
Letter of Correction

Dear Mr. Campbell :

We discovered that there was a discrepancy in the fact sheet and the letter of modification issued dated March 21, 2003. Paragraph 1 of the letter should be amended as follows

1. The Division concurs with the applicant's proposed local limits in Addendum A for Arsenic, Cadmium, ChromiumT, Copper, Lead, Mercury, Nickel, Silver, Zinc and CyanideT. However Local Limit for Selenium shall be retained. Local Limit for Hexavalent Chronium should be developed as the pollutant has water quality standard.

All other terms and conditions of the Modification and the Permit shall remain unchanged and in effect.

Sincerely

Allyn G. Turner
Director

AGT/nw

Post-it® Fax Note 7671

To Carolyn Dimnick	Date 4/20/05
Co./Dept. CRA	From Dan Villani
Phone #	Co. WPCD
Fax # 412-963-7314	Phone # 234-3874
	Fax # 234-3877

# of pages ▶ 2

Received Time Apr.20. 1:49PM

Division of Water and Waste Management
1201 Greenbrier Street
Charleston, WV 25311-1088
Telephone: (304) 558-4086 or 558-8855
Fax: (304) 558-5903

West Virginia Department of Environmental Protection

Bob Wise
Governor

Stephanie R. Timmermeyer
Acting Cabinet Secretary

January 29, 2003

RECEIVED
FEB 07 2003
WPCD

Mr. A. King Campbell
City of Wheeling
P.O. Box 6348
Wheeling, WV 26003

CERTIFIED RETURN RECEIPT REQUESTED

Re: WV/NPDES Permit No. WV0023230
Modification No. 2
Ohio County

Dear Mr. Campbell:

This correspondence serves as Modification No. 2 of your existing WV/NPDES Water Pollution Control Permit No. WV0023230 issued the 25th day of July 2001.

After review and consideration of the information submitted on and with WV/NPDES Water Pollution Control Permit Application No. WV0023230-B, dated the 4th day of December 2002, and other relevant information, the subject Permit is hereby modified to extend the date to submit approvable plans and specifications for the construction of additional treatment units in order to meet the final effluent limitations for total residual chlorine from January 25, 2003 to August 25, 2003. The date to complete construction of additional treatment units and meet the final effluent limitations for total residual chlorine is also extended from January 25, 2004 to July 24, 2005 which is the expiration date of the existing permit. Any further extension of this date must be a part of the reissue of the permit.

Section C.9.a has also been revised to show this change. Enclosed find revised pages 18 and 19 of 28 for WV/NPDES Permit Number WV0023230 reflecting this modification.

All other terms and conditions of the subject WV/NPDES Water Pollution Control Permit No. WV0023230 shall remain in effect and unchanged.

Sincerely,

Allyn G. Turner
Director

AGT/wjs

cc: Env. Inspector Supervisor
Env. Inspector, Ohio County

Division of Water and Waste Management
1201 Greenbrier Street
Charleston, WV 25311-1088
Telephone: (304) 558-4086 or 558-8855
Fax: (304) 558-5903

West Virginia Department of Environmental Protection

Bob Wise
Governor

Stephanie R. Timmermeyer
Cabinet Secretary

May 2, 2003

RECEIVED
MAY 12 2003
WPCIN

Mr. A. King Campbell
City of Wheeling
P.O. Box 6348
Wheeling, WV 26003

CERTIFIED RETURN RECEIPT REQUESTED

Re: WV/NPDES Permit No. WV0023230
Modification No. 3
Ohio County

Dear Mr. Campbell:

This correspondence serves as Modification No. 3 of your existing WV/NPDES Water Pollution Control Permit No. WV0023230 issued the 25th day of July 2001.

After review and consideration of the information submitted on and with WV/NPDES Water Pollution Control Permit Application No. WV0023230-B, dated the 24th day of March 2003, and other relevant information, the subject Permit is hereby modified to include storm water discharges. Outlet No. 002 has been added to the permit for this purpose. Sampling requirements have been added in Section A.002. Monitoring requirements are discussed in Section C.22 – C.25.

Section A.002 page 8a of 28 has also been incorporated to show this additional outlet and its monitoring requirements. Paragraphs C.22, C.23, C.24, and C.25 have been added to Section C on page 22b of 28. These pages and a new DMR for the storm water outlet are enclosed.

All other terms and conditions of the subject WV/NPDES Water Pollution Control Permit No. WV0023230 shall remain in effect and unchanged.

Sincerely,

Allyn G. Turner
Director

AGT/wjs

cc: Env. Inspector Supervisor
Env. Inspector, Ohio County

CITY OF WHEELING, WEST VIRGINIA

COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1995

ORDINANCE

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CITY OF WHEELING

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE CITY'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1992 B, AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1992 C, BOTH DATED MAY 1, 1992, THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1995, OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $24,000,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING, TO FUND A RESERVE ACCOUNT FOR SUCH BONDS AND TO PAY COSTS OF ISSUANCE THEREOF; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Wheeling (the "Issuer") currently owns and operates a municipal combined waterworks and sewerage system (the "System"), and has heretofore financed and refinanced the acquisition and construction of certain additions, extensions and improvements thereto by issuance of several series of bonds or refunding bonds, pursuant to Chapter 8, Article 20 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (respectively, the "Act" and the "Refunding Act"), of which there are presently Outstanding the following:

(i) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 A dated May 1, 1992, originally issued in the aggregate principal amount of $1,925,000, of which $1,555,000 is presently Outstanding (the "Series 1992 A Bonds");

(ii) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 B, dated May 1, 1992, originally issued in the aggregate principal amount of $8,505,000, of which $7,805,000 is presently Outstanding (the "Series 1992 B Bonds"); and

(iii) Combined Waterworks and Sewerage System Revenue Bonds, Series 1992 C, dated May 1, 1992, originally issued in the aggregate principal amount of $11,550,000, of which $11,250,000 is presently Outstanding (the "Series 1992 C Bonds");

WHEREAS, the Series 1992 A, Series 1992 B and Series 1992 C Bonds (collectively, the "Series 1992 Bonds") were issued concurrently, pursuant to an ordinance and a supplemental resolution of the Issuer enacted on April 7, 1992 and April 21, 1992, respectively, (such ordinance, as so amended and supplemented, collectively herein called the "Prior Ordinance");

WHEREAS, the Issuer is advised that present value interest savings will be realized in the aggregate, from the refunding of the Series 1992 B Bonds and Series 1992 C Bonds;

WHEREAS, the Issuer has accordingly determined to refund the Series 1992 B Bonds and the Series 1992 C Bonds (Collectively herein called the "Prior Bonds") to their first call or redemption date, as set forth in the hereinafter-defined Escrow Agreement, all in the manner set forth herein, with proceeds of the issuance of a series of bonds to be designated "City of Wheeling Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995" (the "Series 1995 Bonds"), in the maximum aggregate principal amount of $24,000,000, and other moneys of the Issuer;

WHEREAS, the proceeds of the Series 1995 Bonds are to be applied to refunding of the Prior Bonds and the Series 1995 Bonds shall be secured by and payable from the Gross Revenues of the System on a parity with the Series 1992 A Bonds which shall not be refunded but shall remain Outstanding, and the Series 1995 Bonds shall contain such other terms and provisions as are hereinafter provided;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WHEELING HEREBY ORDAINS:

ARTICLE I

DEFINITIONS; STATUTORY AUTHORITY; FINDINGS

Section 1.01. Definitions. All capitalized terms used in this Ordinance and not otherwise defined in the recitals hereto shall have the meanings specified below, unless the context expressly requires otherwise:

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Series 1995 Bonds.

"Authorized Newspaper" means a financial journal or newspaper of general circulation in the City of New York, New York, printed in the English language and customarily published on each business day of the Registrar, whether or not published on Saturdays, Sundays or legal holidays, and so long as so published, shall include The Bond Buyer and Redemption Digest.

"Authorized Officer" means the City Manager of the Issuer or any other officer of the Issuer specifically designated by resolution of the Council of the Issuer.

"Bond Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia which succeeds to the functions of the Bond Commission.

"Bond Counsel" shall mean any law firm having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal Bonds, appointed by the Issuer, and shall initially mean Steptoe & Johnson, Clarksburg, West Virginia.

"Bondholder," "Holder of the Bonds," "Owner of the Bonds," "Registered Owner" or any similar term means any person who shall be the registered owner of any outstanding Bond.

"Bond Insurer" means any entity which shall insure all or any portion of the payment of principal of and interest on any of the Bonds, and in the event the Series 1995 Bonds are insured, shall initially mean the Bond Insurer set forth in the Supplemental Resolution.

"Bond Register" means the books of the Issuer maintained by the Registrar for the registration and transfer of Bonds.

"Bond Year" means the 12 month period beginning on June 1 in each year and ending on May 31 in the following year except that the first Bond Year shall begin on the

Closing Date, or such other Bond Year as may from time to time be designated by the Issuer.

"Bonds" means, collectively, the Series 1995 Bonds, the Series 1992 A Bonds and any additional parity Bonds hereafter issued within the terms, restrictions and conditions contained herein.

"Business Day" means any day other than a Saturday, Sunday or a day on which national banking associations are authorized by law to remain closed.

"Certificate of Authentication and Registration" means the Certificate of Authentication and Registration on the Series 1995 Bonds, in substantially the form set forth in EXHIBIT A hereto.

"City" or "Issuer" means the City of Wheeling, a municipal corporation of the State of West Virginia, and, where appropriate, the Council, and any successor thereto.

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

"Closing Date" means the date upon which there is an exchange of the Series 1995 Bonds for the proceeds representing the original purchase price thereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder.

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

"Consulting Engineers" means any qualified engineer or engineers or firm or firms of engineers that shall at any time now or hereafter be retained by the Issuer as Consulting Engineers for the System, and shall initially mean Chester Environmental, Coraopolis, Pennsylvania.

"Costs" or similar terms means all those costs now or hereafter permitted by the Act or the Refunding Act to be financed with bonds issued pursuant hereto, including, without limitation, the costs of refunding the Prior Bonds including payment of redemption premiums and accrued interest thereon, amounts which may be deposited in the Reserve Account; legal expenses; expenses for estimates of costs and revenues, premiums for municipal bond insurance and reserve account insurance, letter of credit fees, fiscal agent fees and expenses, underwriter's discount, initial fees for the services of registrars, paying agents, depositories, trustees or escrow trustees, or other costs in connection with the sale of the Bonds and refunding of the Prior Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, and the performance of the things herein required or permitted, in connection with any thereof.

"Costs of Issuance Fund" means the Costs of Issuance Fund created by Section 4.01 hereof.

"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.

"Debt Service," with reference to a specified period, means the amount of principal, including any sinking fund payments, and interest payable with respect to the Bonds during such period.

"Depository Bank" means the bank or banks to be designated as such in the Supplemental Resolution, and any other bank or national banking association located in the State of West Virginia, eligible under the laws of the State of West Virginia to receive deposits of state and municipal funds and insured by the FDIC that may hereafter be appointed by resolution of the Issuer as Depository Bank.

"Depreciation Fund" means the Depreciation Fund created by Section 4.01 hereof.

"DTC-eligible" means, with respect to the Series 1995 Bonds, meeting the qualifications prescribed by the Depository Trust Company, New York, New York.

"Escrow Agreement" means the agreement to be entered into between the Issuer, the Bond Commission and the Escrow Trustee, providing for the defeasance and ultimate payment of the Prior Bonds, the deposit therein of proceeds of the Series 1995 Bonds, the disposition of moneys in the various funds and accounts under the Prior Ordinance and matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Escrow Fund" means the Escrow Fund established in the Escrow Agreement.

"Escrow Trustee" means the escrow trustee under the Escrow Agreement, which shall be appointed pursuant to a resolution supplemental hereto.

"Event of Default" means any occurrence or event specified in Section 7.01.

"FDIC" means the Federal Deposit Insurance Corporation or 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.

"Government Obligations" means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of ownership of proportionate interests in future interest and principal payments of such obligations; provided that, investments in such proportionate interests shall be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account separate from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts, and includes any proceeds from the sale or other disposition of capital assets, but does not include any increase in the value of capital assets (including Qualified Investments).

"Independent 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 purpose except keeping the accounts of said System in the normal operations 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 or investment-type property, excluding, however, obligations the interest on which is excluded from gross income under Section 103 of the Code, for federal income tax purposes.

"Mayor" means the Mayor of the Issuer.

"Maximum Annual Debt Service" means, at the time of computation, the greatest amount of Debt Service required to be paid on the Bonds for the then current or any succeeding Fiscal Year, assuming that the principal of any Term Bonds is deemed due on the earlier of their stated maturity date or the date on which they are required to be redeemed pursuant to mandatory sinking fund redemption.

"Municipal Bond Insurance Policy" means any municipal bond insurance policy issued by a Bond Insurer simultaneously with the delivery of the Series 1995 Bonds, insuring the payment of the principal of and interest on all or any of the Series 1995 Bonds

in accordance with the terms thereof or any other bond insurance policy which may be issued on behalf of the Issuer to insure payment of the principal of and interest on all or any subsequent series of Bonds.

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

"Net Revenues" means Gross Revenues less Operating Expenses.

"Nonpurpose Investment" means any Investment Property which is acquired with the Gross Proceeds of the Bonds and is not acquired in order to carry out the governmental purpose of the Bonds.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, fees for the provider of a Reserve Account Letter of Credit, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Escrow Trustee, Registrar and Paying Agent or Paying Agents, 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 Prior Bonds or the Bonds, charges for depreciation, losses from the sale or other disposition of or 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 Section 4.01.

"Ordinance" regardless of whether preceded by the article "the" or "this," means this Ordinance, as it may hereafter from time to time be amended or supplemented.

"Original Purchaser" means collectively, Legg Mason Wood Walker, Inc. and Hazlett, Burt & Watson, Inc., as the purchasers of the Series 1995 Bonds directly from the Issuer, or, if the Issuer and such Original Purchaser do not agree to the purchase of the Series 1995 Bonds with interest rates and other terms allowable under the Act, such other person or persons, firm or firms, bank or banks, corporation or corporations or such other entity or entities as shall purchase the Series 1995 Bonds directly from the Issuer, as determined by a resolution supplemental hereto; provided, that the Original Purchaser and the Issuer shall agree to the purchase of the Series 1995 Bonds, as hereinafter defined,

including the exact principal amount thereof and interest rate or rates thereon as fixed by said supplemental resolution to be adopted by the Council at the time of approval of such sale of said Series 1995 Bonds.

"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 issued and delivered except (a) any Bond or Prior Bond cancelled by the registrar for such Bond or Prior Bond at or prior to said date; (b) any Bond or Prior Bond for the payment of which moneys, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); (c) any Bond deemed to have been paid as provided by Section 9.01; and (d) with respect to determining the number or percentage of Bondholders or Bonds for the purpose of consents, notices and the like, any Bond or Prior Bond registered to the Issuer. Notwithstanding the foregoing, in the event that a Bond Insurer has paid principal of and/or interest on any Bond, such Bond shall be deemed to be Outstanding until such time as a Bond Insurer has been reimbursed in full.

"Paying Agent" means the Registrar and any other paying agent for the Bonds which may be appointed by a resolution supplemental hereto, all in accordance with Section 8.12 hereof.

"Prior Bonds" shall mean, collectively, the Series 1992 B Bonds and the Series 1992 C Bonds.

"Prior Ordinance" shall have the meaning set forth in the recitals hereto.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

"Project" shall have the meaning set forth in the Recitals hereof.

"Qualified Investments" means and includes any of the following (or such other investments as shall be set forth in the Supplemental Resolution):

A. Government Obligations.

B. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies provided such obligations are backed by the full faith and credit of the United States of America:

1. U.S. Export-Import Bank

Direct obligations or fully guaranteed certificates of beneficial ownership

2. Farmers Home Administration ("FmHA")
Certificates of beneficial ownership

3. Federal Financing Bank

4. Federal Housing Administration ("FHA") Debentures

5. General Services Administration
Participation certificates

6. Government National Mortgage Association ("GNMA")
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations

7. U.S. Maritime Administration
Guaranteed Title XI financing

8. U.S. Department of Housing and Urban Development ("HUD")
Project Notes
Local Authority Bonds
New Communities Debentures - U. S. Government guaranteed debentures

9. U. S. Public Housing Notes and Bonds
U. S. government public housing notes and bonds

C. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U. S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System
Senior debt obligations

2. Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac")
Participation certificates
Senior debt obligations

3. Federal National Mortgage Association ("FNMA" or "Fannie Mae")
Mortgage-backed securities and senior debt obligations

4. Student Loan Marketing Association
Senior debt obligations

5. Resolution Funding Corp. ("REFCORP") obligations

D. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAm-G; AAAm; or AAm.

E. Certificates of deposit secured at all times by collateral described in (A) and/or (B) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the Bondholders must have a perfected first security interest in the collateral.

F. Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC.

G. Investment Agreements, including guaranteed investment contracts, acceptable to applicable Bond Insurers.

H. Commercial paper rated, at the time of purchase, "Prime - 1" by Moody's or "A-1" or better by S&P.

I. Bonds or notes issued by any state or municipality which are rated by Moody's or S&P in one of the two highest rating categories assigned by such agencies.

J. Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

K. Repurchase agreements that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the City (buyer/lender), and the transfer of cash from a municipal entity to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the municipal entity in exchange for the securities at a specified date.

Such Repurchase Agreements must satisfy the following criteria or be approved by the applicable Bond Insurer:

1. Repurchase Agreements must be between the City entity and a dealer bank or securities firm

(i) Primary dealers on the Federal Reserve reporting dealer list, or

(ii) Banks rated "A" or above by S&P and Moody's.

2. The written Repurchase Agreement contract must include the following:

(i) Securities which are acceptable for transfer are:

(1) Direct U.S. government obligations, or

(2) Securities of Federal agencies backed by the full faith and credit of the United States of America

(ii) The term of the Repurchase Agreement may be up to 30 days

(iii) The collateral must be delivered to the municipal entity, the trustee (if the trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before or simultaneous with payment (perfection by possession of certificated securities).

(iv) Valuation of Collateral

(1) The securities must be valued weekly, marked-to-market at current market price plus accrued interest

(a) The value of collateral must be equal to 104% of the amount of cash transferred by the City to the dealer bank or security firm under the Repurchase Agreement plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the City, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FMAC, then the value of collateral must equal 105%.

L. Any State-administered pool investment fund in which the Issuer is statutorily permitted or required to invest.

M. Reserve Fund investments shall be valued at cost if maturity is one year or less, and shall be valued at fair market value and marked-to-market annually if maturity is longer than one year. In no event shall investments have maturities extending beyond 3 years.

N. Other forms of investments approved in writing by the appropriate Bond Insurer with notice to S&P and Moody's.

"Record Date" means the day of the month which shall be so stated in the Bonds, regardless of whether such day is a Saturday, Sunday or legal holiday.

"Recording Officer," "Recorder" or "Clerk" means the City Clerk of the Issuer.

"Redemption Account" means the Redemption Account created in the Sinking Fund by Section 4.02 hereof.

"Redemption Date" means the date fixed for redemption of Bonds subject to redemption in any notice of redemption published or mailed in accordance herewith.

"Redemption Price" means the price at which the Bonds may be called for redemption and includes the principal amount of the Bonds to be redeemed, plus the premium, if any, required to be paid to effect such redemption.

"Refunding Act" means Chapter 13, Article 2E of the West Virginia Code of 1931, as amended and in effect on the date of delivery of the Series 1992 Bonds.

"Registrar" means the bank to be designated in the Supplemental Resolution as the registrar for the Bonds, and any successor thereto appointed in accordance with Section 8.08 hereof.

"Regulations" means temporary and permanent regulations promulgated under the Code, and includes applicable regulations promulgated under the Internal Revenue Code of 1954.

"Reserve Account" means the Reserve Account created in the Sinking Fund by Section 4.02 hereof.

"Reserve Account Requirement" means, as of any date of calculation, Maximum Annual Debt Service on the applicable series of Bonds.

"Revenue Fund" means the City of Wheeling Combined Waterworks and Sewerage System Bonds Revenue Fund created by Section 4.01 hereof.

"Series 1995 Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995, of the Issuer, originally authorized to be issued pursuant to this Ordinance and the Supplemental Resolution.

"Series 1992 A Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 A, of the Issuer, originally authorized to be issued pursuant to the Prior Ordinance.

"Series 1992 B Bonds" means the Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 B, of the Issuer, originally authorized to be issued pursuant to the Prior Ordinance.

"Series 1992 C Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 1992 C, of the Issuer, originally authorized to be issued pursuant to the Prior Ordinance.

"Series 1992 Bonds" means, collectively, the Series 1992 A Bonds, the Series 1992 B Bonds and the Series 1992 C Bonds.

"Sinking Fund" means the Sinking Fund created by Section 4.02 hereof.

"Supplemental Resolution" means any ordinance or resolution amendatory hereof or supplemental hereto and, when preceded by the article "the," refers specifically to the Supplemental Resolution authorizing the sale of the Series 1995 Bonds to the Original Purchaser; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Surplus Revenues" means the Gross Revenues remaining after all payments required to be made pursuant to Section 4.03(1), (2), (3) and (4) have first been paid.

"System" means, collectively, the complete existing municipal waterworks system of the City, consisting of a water filtration and treatment plant, reservoirs, water tanks, distribution lines and booster stations and the complete existing municipal sewage treatment and collection system of the City, consisting of a sewage treatment plant, collection and transportation lines and lift stations now owned by the Issuer or any integral part thereof, and all other facilities necessary, appropriate, useful, convenient or incidental in connection with or to a waterworks or sewage treatment and collection system, and shall include any additions, betterments and improvements thereto hereafter acquired or constructed for said waterworks or sewage treatment and collection system from any sources whatsoever, both within and without the Issuer.

"Term Bonds" means Bonds subject to mandatory sinking fund redemption, as described by Section 3.06 hereof.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations and vice versa; and words importing the masculine gender shall include the feminine and neuter genders and vice versa.

Additional terms and phrases are defined in this Ordinance as they are used. Accounting terms not specifically defined herein shall be given meaning in accordance with generally accepted accounting principles.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Ordinance; and the term "hereafter" means after the date of enactment of this Ordinance.

Articles, sections and subsections mentioned by number only are the respective articles, sections and subsections of this Ordinance so numbered.

Section 1.02. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of the Act, the Refunding Act and other applicable provisions of law.

Section 1.03. Findings. The Council hereby finds and determines as follows:

A. The Issuer is a municipal corporation of the State of West Virginia in Ohio County of said State.

B. The Issuer now owns and operates the System as a municipal combined waterworks and sewerage system under the Act, the acquisition and construction of which have been financed and refinanced in part by the proceeds of the Series 1992 Bonds which are currently Outstanding in the aggregate principal amount of $20,610,000 and other bonds which have either been refunded by the Series 1992 Bonds or are no longer Outstanding.

C. The Issuer derives revenues from the System. Revenues of the System of the Issuer are currently pledged for payment of the Series 1992 Bonds. Except for such pledges thereof to secure and pay the Series 1992 Bonds, said revenues are not pledged or encumbered in any manner.

D. The Issuer intends to issue the Series 1995 Bonds, and to pledge for payment thereof, on a parity with the pledge thereof for the Series 1992 A Bonds, the Gross Revenues of the System.

E. The estimated revenues to be derived in each year after the date hereof from the operation of the System will be sufficient, upon refunding and defeasance of the Prior Bonds, to provide for the repair, maintenance and operation of the System, the payment of interest upon all Bonds issued pursuant to the Act and to create a sinking fund, as hereinafter provided, to pay the principal thereof as and when it becomes due and reasonable reserves therefor, to provide an adequate depreciation fund, as hereinafter provided, and to make all other payments provided for in this Ordinance.

F. Based upon the assumed principal amount, maturity schedule and interest rates for the Series 1995 Bonds presented to the Issuer by the Original Purchaser, and after making allowance for the use of cash on hand of the Issuer, the Series 1995 Bonds show a net present value saving to the Issuer after deducting all expenses of the refunding and the costs of issuing the Series 1995 Bonds.

G. The Issuer shall not sell the Series 1995 Bonds without setting forth in the Supplemental Resolution the determination set forth in paragraph F, above, based upon the actual principal amount, maturity schedule and interest rates for the Series 1995 Bonds, and the Issuer shall not issue the Series 1995 Bonds without having obtained from an independent certified public accountant a certification that the amount of savings stated to be achieved by the refunding shall in fact be saved, based upon its review, comparison and analysis of the net interest cost in dollars of the Series 1995 Bonds and the net interest cost in dollars of the Prior Bonds.

H. Subject to the determination and certification required by paragraph G above, it is in the best interests of the Issuer, and the residents thereof, that the Issuer issue the Series 1995 Bonds and secure the Series 1995 Bonds by a pledge and assignment of the Gross Revenues derived from the operation of the System, the moneys in the Reserve Account, unexpended proceeds of the Series 1995 Bonds and as further set forth herein.

I. The Issuer has complied with all requirements of West Virginia law relating to authorization of the ownership and operation of the System and issuance of the Series 1995 Bonds or will have so complied prior to issuance of any thereof.

J. The Series 1995 Bonds and the Certificate of Authentication and Registration to be endorsed thereon are to be in substantially the form set forth in EXHIBIT A, attached hereto and incorporated herein by reference, with necessary and appropriate variations, omissions and insertions as permitted or required by this Ordinance or a Supplemental Resolution or as deemed necessary by the Registrar or the Issuer.

K. All things necessary to make the Series 1995 Bonds, when authenticated by the Registrar and issued as in this Ordinance provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Series 1995 Bonds, will be timely done and duly performed.

L. The enactment of this Ordinance, and the execution and issuance of the Series 1995 Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

Section 1.04. Ordinance Constitutes Contract. In consideration of the acceptance of the Bonds by those who shall own or hold the same from time to time, this

Ordinance 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 legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bond, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF REFUNDING OF THE PRIOR BONDS

Section 2.01. Authorization of Refunding of Prior Bonds. All Prior Bonds Outstanding as of the date of issuance of the Series 1995 Bonds, in the aggregate principal amount of $19,055,000 are hereby ordered to be refunded pursuant to the terms of the Escrow Agreement. The pledge of Gross Revenues in favor of the Holders of the Prior Bonds imposed by the Prior Ordinance, the moneys in the funds and accounts created by the Prior Ordinance and any other funds pledged by the Prior Ordinance thereto are hereby ordered terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Series 1995 Bonds and from other moneys available therefor, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Trustee charges to become due and payable in connection with the Prior Bonds and (b) an amount which will be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, together with certain cash which may also be deposited, to provide for the payment of the principal of, redemption premium, if any, and interest on the Prior Bonds as the same become due, to the first redemption date thereof, being June 1, 2002, and on such date, to pay the Redemption Price of the Prior Bonds, all as prescribed by the Escrow Agreement. Contemporaneously with the deposit of such Series 1995 Bonds proceeds and other moneys into the Escrow Fund, the amount on deposit in the sinking funds, including the reserve accounts therein, and all other funds and accounts created and maintained on behalf of the Prior Bonds shall be deposited in the Escrow Fund, the Reserve Account or such other fund or account as shall be set forth in the Escrow Agreement or in the Supplemental Resolution, and invested as provided therein.

ARTICLE III

THE BONDS

Section 3.01. Form and Payment of Bonds. No Bond shall be issued pursuant to this Ordinance except as provided in this Article III. Any Bonds issued pursuant to this Ordinance may be issued only as fully registered Bonds without coupons, in the denomination of $5,000 or any integral multiple thereof for any year of maturity. All Bonds shall be dated as of the date provided in a Supplemental Resolution applicable to such Series of Bonds. Bonds shall bear interest from the interest payment date next preceding the date of authentication or, if authenticated after the Record Date but prior to the applicable interest payment date or on such interest payment date, from such interest payment date or, if no interest on such Bonds has been paid, from the date thereof; provided however, that, if, as shown by the records of the Registrar, interest on such Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the initial Bonds surrendered.

The principal of and the premium, if any, on the Bonds shall be payable in any coin or currency which, on the respective date of such payment, is legal tender for the payment of public and private debts under the laws of the United States of America upon surrender at the principal office of the Paying Agent. Interest on the Bonds shall be paid by check or draft made payable and mailed to the Holder thereof at his address as it appears in the Bond Register at the close of business on the Record Date, or, if requested, in the case of a Registered Owner of $500,000 or more of the Bonds, by wire transfer to a domestic bank account specified in writing at least 5 days prior to such interest payment date by such Registered Owner.

In the event any Bond is redeemed in part, such bond shall be surrendered to and cancelled by the Registrar, and the Issuer shall execute, and the Registrar shall authenticate and deliver to the Holder thereof, another Bond in the principal amount of said Bond then Outstanding.

Section 3.02. Execution of Bonds. The Bonds shall be executed in the name of the Issuer by the Mayor and the City Manager, by their respective manual or facsimile signatures, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Clerk by his or her manual or facsimile signature; provided, that, all such signatures and the seal may be by facsimile. 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 City by such person as at the actual time of the

execution of such Bonds shall hold the proper office in the City, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.03. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Ordinance unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in EXHIBIT A, attached hereto and incorporated herein by reference with respect to the Series 1995 Bonds, shall have been duly manually executed by the Registrar. Any such manually executed Certificate of Authentication and Registration upon any Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Ordinance. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Registrar if signed by an authorized officer of the 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 3.04. Negotiability and Registration. Subject to the requirements for transfer 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, 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, 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 remains Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Bonds. Bonds shall be transferable only by transfer of registration upon the Bond Register by the registered owner thereof in person or by his attorney or legal representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or such duly authorized attorney or legal representative. Upon transfer of a Bond, there shall be issued at the option of the Holder or the transferee another Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond and of the same series, interest rate and maturity of said transferred Bond.

Upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar and duly executed by the registered owner or his attorney or legal representative duly authorized in writing, Bonds may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series, maturity and interest rate, in any authorized denominations.

In all cases in which the privilege of transferring or exchanging a Bond is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance.

All Bonds surrendered in any such transfer or exchange shall forthwith be cancelled by the Registrar. Transfers of Bonds, the initial exchange of Bonds and exchanges of Bonds in the event of partial redemption of fully registered Bonds shall be made by the Registrar without charge to the Holder or the transferee thereof, except as provided below. For other exchanges of Bonds, the Registrar may impose a service charge. For every such transfer or exchange of bonds, the Registrar may make a charge sufficient to reimburse its office for any tax or other governmental charge required to be paid with respect to such transfer or exchange, and such tax or governmental charge, and such service charge for exchange other than the initial exchange or in the event of partial redemption, shall be paid by the person requesting such transfer or exchange as a condition precedent to the exercise of the privilege of making such transfer or exchange. The Registrar shall not be obliged to make any such transfer or exchange of Bonds that have been called for redemption.

Section 3.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may execute, in its discretion and the Registrar shall authenticate, register and deliver any new Bond of like series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and 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 the Issuer and the Registrar proof of his ownership thereof and that said Bond has been destroyed, stolen or lost and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer or the Registrar may incur. The name of the Bondholder listed in the Bond Register shall constitute proof of ownership. All Bonds so surrendered shall be submitted to and cancelled by the Registrar, and evidence of such cancellation shall be given to the Issuer. If such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer, by and through the Registrar, may pay the same, upon being indemnified as aforesaid, and, if such Bond be lost, stolen or destroyed, without surrender therefor.

Any such duplicate Bonds issued pursuant to this section shall constitute original, additional contractual obligations on the part of the Issuer, whether or not the lost, stolen or destroyed Bonds be at any time found by any one, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source of and security for payment from the Revenues pledged herein with all other Bonds issued hereunder.

Section 3.06. Term Bonds. In the event Term Bonds are issued pursuant to this Ordinance, the following provisions shall apply:

A. The amounts to be deposited, apportioned and set apart by the Issuer from the Revenue Fund and into the Redemption Account in accordance with Subsection 4.03(A)(2) shall include (after credit as provided below) on the first of each month, beginning on the first day of that month which is 13 months prior to the first

mandatory redemption date of said Term Bonds, a sum equal to 1/12th of the amount required to redeem the principal amount of such Term Bonds which are to be redeemed as of the next ensuing mandatory redemption date, which amounts and dates, if any, with respect to a series of Bonds shall be set forth in the Supplemental Resolution relating thereto.

B. At its option, to be exercised on or before the 60th day next preceding any such mandatory redemption date, the Issuer may (a) deliver to the Registrar for cancellation such Term Bonds in any aggregate principal amount desired or (b) receive a credit in respect of its mandatory redemption obligation for any such Term Bonds which prior to said date have been redeemed (otherwise than pursuant to this section) and cancelled by the Registrar and not theretofore applied as a credit against any such mandatory redemption obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and Term Bonds delivered in excess of such mandatory redemption obligation shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

C. The Issuer shall on or before the 60th day next preceding each mandatory redemption date furnish the Registrar and the Bond Commission with its certificate indicating whether and to what extent the provisions of (a) and (b) of the preceding paragraph are to be utilized with respect to such mandatory redemption payment and stating, in the case of the credit provided for in (b) of the preceding paragraph, that such credit has not theretofore been applied against any mandatory redemption obligation.

D. After said 60th day but prior to the date on which the Registrar selects the Term Bonds to be redeemed, the Bond Commission may use the moneys in the Redemption Account to purchase Term Bonds at a price less than the par value thereof and accrued interest thereon. The Bond Commission shall advise the Issuer and the Registrar of any Term Bonds so purchased, and they shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the Issuer on such mandatory redemption date, and any excess shall be credited against future mandatory redemption obligations in the order directed by the Issuer, and the principal amount of such Term Bonds to be redeemed pursuant to mandatory sinking fund redemption shall be accordingly reduced.

E. The Registrar shall call for redemption, in the manner provided herein, an aggregate principal amount of such Term Bonds, at the principal amount thereof plus interest accrued to the redemption date (interest to be paid from the Sinking Fund), as will exhaust as nearly as practicable such Redemption Account payment designated to be made in accordance with paragraph (A) of this section. Such redemption shall be by random

selection made on the 45th day preceding the mandatory redemption date, in such manner as may be determined by the Registrar. For purposes of this section, "Term Bonds" shall include any portion of a fully registered Term Bond, in integrals of $5,000.

Section 3.07. Notice of Redemption. Unless waived by any Holder of the Bonds to be redeemed, official notice of any redemption of Bonds shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the applicable Bond Insurer, the Original Purchaser, and the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(1) The redemption date,

(2) The redemption price,

(3) If less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(4) That on the redemption date the Redemption Price and interest accrued will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) The place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Registrar, and

(6) Such other information, if any, as shall be required for DTC-Eligible Bonds.

Prior to any redemption date, the Issuer shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with

said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of Bonds, and failure to mail such notice shall not affect the validity of proceedings for the redemption of any portion of Bonds for which there was no such failure.

In addition to the foregoing notice, further notice as set out below shall be given by the Registrar, at the instruction of the Issuer, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each bond being redeemed; (iv) the maturity date of each bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to the Bond Buyer, of New York, New York, and all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, Pacific Securities Depository Trust Company of San Francisco, California and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania).

(3) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 3.08. Persons Treated as Owners. The Issuer, the Registrar and any agent of the Issuer or the Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal of, interest on, such Bond and (except as provided in Section 6.18) for all other purposes, whether or not such Bond is overdue.

Section 3.09. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and the Registrar shall authenticate, register, if applicable, and deliver, subject to the same provisions, limitations and conditions set forth in this Article III, one or more printed, lithographed or typewritten Bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the lien and benefit created under this Ordinance. Upon the presentation and surrender of any Bond or Bonds in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Registrar, and the Registrar shall authenticate, register, if applicable, and deliver, in exchange therefor, a Bond or Bonds in definitive form. Such exchange shall be made by the Registrar without making any charge therefor to the Holder of such Bond in temporary form.

Section 3.10. Issuance of Series 1995 Bonds. A. For the purposes of refunding all of the Outstanding Prior Bonds of the Issuer, funding a reserve account for the Series 1995 Bonds and paying costs in connection with such refunding and the issuance of such Series 1995 Bonds, or any of the above purposes, there shall be issued the Series 1995 Bonds of the Issuer, in an aggregate principal amount of not more than $24,000,000. The Series 1995 Bonds shall be designated "Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995" and shall be issued in fully registered form, in the denomination of $5,000 or any integral multiple thereof for any year of maturity, not exceeding the aggregate principal amount of Series 1995 Bonds maturing in the year of maturity for which the denomination is to be specified. The Series 1995 Bonds shall be numbered from R-1 consecutively upward. The Series 1995 Bonds shall be dated; shall be in such aggregate principal amount; shall bear interest at such rate or rates, not exceeding the then legally permissible rate, payable semiannually on such dates; shall mature on such dates and in such amounts; shall be subject to such redemption provisions; and shall have such other terms, all as the Issuer shall prescribe herein and in the Supplemental Resolution.

Section 3.11. Delivery of Series 1995 Bonds. The Issuer shall execute and deliver the Series 1995 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 1995 Bonds to the Original Purchaser upon receipt of the documents set forth below:

(A) A list of the names in which the Series 1995 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Registrar may reasonably require;

(B) A request and authorization to the Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 1995 Bonds to the Original Purchaser;

(C) Copies certified by the Clerk of this Ordinance and the Supplemental Resolution;

(D) The unqualified approving opinion upon the Series 1995 Bonds by Bond Counsel.

Section 3.12. Form of Series 1995 Bonds. The Series 1995 Bonds shall be substantially in the form set forth in "EXHIBIT A - FORM OF SERIES 1995 BOND"; attached hereto and incorporated herein by reference, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance or the Supplemental Resolution or as are deemed necessary by the Registrar and the Issuer, including any variations necessary to render the Series 1995 Bonds DTC-eligible.

Section 3.13. Disposition of Proceeds of Series 1995 Bonds. A. Upon the issuance and delivery of the Series 1995 Bonds, the Issuer shall forthwith deposit the proceeds thereof as follows:

(i) All interest accrued on the Series 1995 Bonds from the date thereof to the date of delivery thereof shall be deposited in the Series 1995 Bonds Subaccount in the Sinking Fund and applied to payment of interest on the Series 1995 Bonds.

(ii) The amount of the Series 1995 Bond proceeds which, together with other moneys or securities deposited therein and the earnings thereon, shall be sufficient to accomplish the refunding of the Prior Bonds (which amount shall be set forth in the Escrow Agreement) shall be deposited in the Escrow Fund.

(iii) The amount of Series 1995 Bond proceeds, together with other moneys or securities deposited therein equal to the Series 1995 Bonds Reserve Account Requirement shall be remitted to the Bond Commission for deposit in the Series 1995 Bonds Subaccount in the Reserve Account.

(iv) The balance of the proceeds of the Series 1995 Bonds shall be deposited with the Depository Bank in the 1995 Costs of Issuance Fund and shall be drawn out, used and applied by the Issuer solely to pay costs of

issuance of the Series 1995 Bonds and miscellaneous costs of refunding the Prior Bonds. Moneys not to be applied immediately to pay such costs of issuance and refunding may be invested in accordance with this Ordinance, subject however, to applicable yield restrictions as may be in effect under the Code. If for any reason such proceeds, or any part thereof, are not necessary for, or are not applied to such purpose within 90 days of the Closing Date, such unapplied proceeds shall thereupon be transferred by the Issuer and deposited in the Sinking Fund. All such proceeds shall constitute a trust fund for such purposes, and there hereby is created a lien upon such moneys until so applied in favor of the Holders of the Series 1995 Bonds from which such proceeds are derived.

ARTICLE IV

SYSTEM REVENUES; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Subaccounts with Depository Bank. Pursuant to this Article IV, the following special funds and subaccounts are created (or continued, if previously created by the Prior Ordinance) with, and shall be held by, the Depository Bank, segregated from all other funds and accounts of the Depository Bank or the Issuer and from each other, (except as set forth in this Section 4.01) and used solely for the purposes provided herein:

(A) Revenue Fund;

(B) Depreciation Fund;

(C) Operation and Maintenance Fund;

(D) Costs of Issuance Fund; and

(E) Rebate Fund.

Moneys in such Funds may be commingled and aggregated by the Depository Bank if so directed by the Issuer, for purposes of investment of such funds, but separate accounting shall be maintained for each such fund.

Section 4.02. Establishment of Funds, Accounts and Subaccounts with Bond Commission. Pursuant to this Article IV, the following special funds, accounts and subaccounts are hereby established (or continued, if previously created by the Prior Ordinance) with and shall be held by the Bond Commission:

(A) Sinking Fund, and within the Sinking Fund:

(a) Series 1992 A Bonds Subaccount; and

(b) Series 1995 Bonds Subaccount.

(i) Reserve Account, and within the Reserve Account:

(a) Series 1992 A Bonds Subaccount; and

(b) Series 1995 Bonds Subaccount.

(ii) Redemption Account, and within the Redemption Account:

(a) Series 1992 A Bonds Subaccount; and

(b) Series 1995 Bonds Subaccount.

Section 4.03. System Revenues and Application Thereof. So long as any of the Bonds shall be Outstanding and unpaid, the Issuer covenants as follows:

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited by the Issuer in the Revenue Fund. The Revenue Fund 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. All Gross Revenues at any time remaining on deposit in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, from the moneys in the Revenue Fund, on the first day of each month, apportion and set apart out of the Revenue Fund and remit to the Bond Commission, for deposit in the Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on the 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 Sinking Fund and the next ensuing semiannual interest payment date is greater or less than 7 months, then such monthly payments shall be decreased or increased proportionately to provide, 1 month prior to the next ensuing semiannual interest payment date, the required amount of interest coming due on such date, and provided further, that the initial amount required to be transferred from the Revenue Fund and deposited in the Sinking Fund shall be reduced by the amount of accrued interest on the Series 1995 Bonds deposited therein and subsequent amounts required to be transferred from the Revenue Fund and deposited in the Sinking Fund shall be reduced by the amount of any earnings credited to the Sinking Fund.

The Issuer shall also apportion and set apart out of the Revenue Fund and remit to the Bond Commission for deposit in the Sinking Fund, and in the Redemption Account therein in the case of Term Bonds which are to be redeemed, on the first day of each month, beginning on the first day of that month which is 13 months prior to the first principal payment or mandatory redemption date of the Bonds, a sum equal to 1/12th of the amount of principal which will mature or be redeemed and become due on the Bonds on the next ensuing principal payment or mandatory redemption date, provided, that in the event the period to elapse between the date of such initial deposit

in the Sinking Fund and the next ensuing principal payment or mandatory redemption date is greater or less than 13 months, then such monthly payments shall be decreased or increased proportionately to provide, one month prior to the next ensuing principal payment date or mandatory redemption date, the required amount of principal coming due on such date, and provided further, that the amount of such deposits shall be reduced by the amount of any earnings credited to the Sinking Fund and not previously credited pursuant to the preceding paragraph.

Moneys in the Sinking Fund shall be used only for the purposes of paying principal of and interest on the Bonds, whether by maturity or redemption prior to maturity and, with respect to the Reserve Account therein, any amounts necessary to fund the Reserve Account to maintain the Reserve Account Requirement or any reimbursement which may be payable under a financial guaranty agreement, if applicable. Pending such use, such moneys shall be invested in accordance with Article V.

The Issuer shall not be required to make any further payments into the Sinking Fund when the aggregate amount of funds in the Sinking Fund, including the Reserve Account therein, is at least equal to the aggregate principal amount of Bonds issued pursuant to this Ordinance then Outstanding, plus the amount of interest due or thereafter to become due on the Bonds then Outstanding, plus any amount which may be then payable pursuant to a Financial Guaranty Agreement.

As and when additional Bonds ranking on a parity with the Series 1995 Bonds are issued, provision shall be made for additional deposits into the Reserve Account sufficient to maintain the Reserve Account Requirement in accordance with the provisions hereof.

The payments into the Sinking Fund shall be made on the first day of each month, except that, when the first day of any month shall be a Saturday, 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 Bond Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Ordinance.

(2) The Issuer shall next, from the moneys remaining in the Revenue Fund each month, transfer from the Revenue Fund and deposit in the Operation and Maintenance Fund an amount sufficient to pay current Operating Expenses of the System.

(3) The Issuer shall next, from the moneys remaining in the Revenue Fund each month, apply such moneys, to the full extent necessary, for deposit

into the Reserve Account, as a result of a decrease in value of the Reserve Account below the Reserve Account Requirement or any withdrawal from the Reserve Account, beginning with the first full calendar month following the date on which (i) the valuation of investments in the Reserve Account results in a determination that the amount of moneys and the value of the Qualified Investments deposited to the credit of the Reserve Account is less than the Reserve Account Requirement, or (ii) any amount is withdrawn from the Reserve Account for deposit into the Sinking Fund. To the extent Gross Revenues and any other legally available funds are available therefor, the amount so deposited shall be sufficient, and shall be used to restore the amount of cash or securities on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement; provided, that no payments shall be required to be made into the Reserve Account whenever and as long as the amount deposited therein shall be equal to the Reserve Account Requirement.

In the event that moneys in the Revenue Fund are insufficient to replenish the Reserve Account to a value equal to the Reserve Account Requirement, the Issuer shall transfer moneys from the Depreciation Fund to the extent necessary for such purpose, provided, that the Issuer shall not be required to restore such deficiency when the aggregate amount of funds in the Sinking Fund, including the Reserve Account therein, is at least equal to the aggregate amount of Bonds issued pursuant to this Ordinance then Outstanding, plus the amount of interest due or thereafter to become due on said Bonds then Outstanding.

Amounts in the Reserve Account shall be used only for the purpose of making payments of principal of and interest on the Bonds when due, when amounts in the Sinking Fund are insufficient therefor, and for no other purpose.

(4) The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month commencing with the first month in which interest shall be payable from the Revenue Fund, transfer to the Depreciation Fund a sum equal to not less than 5% of the Gross Revenues each month, exclusive of any payments for the account of the Reserve Account in the Sinking Fund. No further payments shall be required to be made into the Depreciation Fund when there shall have been deposited therein, and so long as there shall remain on deposit therein, the sum of $1,000,000.

Withdrawals and disbursements may be made by the Issuer from the Depreciation Fund only for the following purposes and in the following order of priority:

(a) To make up any deficiency in the Reserve Account (so that the amount on deposit therein is at least equal to the Reserve Account Requirement);

(b) For the payment of the principal (including the principal amount to be paid under the mandatory redemption schedules) of or interest on the Bonds, but only in the event that at the time of such withdrawal there are not sufficient funds for such purpose in the Sinking Fund (including the Reserve Account);

(c) For the payment of the reasonable costs of land and depreciable renewals, repairs, extensions, improvements and additions to the System;

(d) Upon resolution of the Issuer, moneys in the Depreciation Fund in excess of $1,000,000 may be transferred by the Issuer to the Redemption Account and used for optional redemption or for purchase of Bonds. In the event of purchase of Bonds, the Issuer may direct the purchase of Bonds offered for sale at the lowest price below the redemption price of such Bonds.

(5) The Issuer may next, each month, after making the above required transfers of moneys from the Revenue Fund, apply any remaining Revenues ("Surplus Revenues") to payment of debt service on subordinate bonds, notes, certificates or other obligations of the System. Any Surplus Revenues then remaining in the Revenue Fund may be used for any lawful purpose of the System.

(6) If on any monthly payment date the Revenues of the System are insufficient to make the required deposits in any of the funds as hereinabove provided, the deficiency shall be made up on the next ensuing payment dates by payments in addition to the payments which are otherwise required to be made into the funds on such ensuing payment dates.

B. The Bond Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund created hereunder, and all amounts required for said Sinking Fund shall be remitted to the Bond Commission from said Revenue Fund and from the proceeds of the sale of the Bonds, by the Issuer at the times and as otherwise provided herein. All remittances made by the Issuer to the Bond Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. 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 4.03 and the Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

D. Principal and interest payments, and any payments made for the purpose of funding the Reserve Account, shall be made on a parity basis and pro-rata, with respect to the Series 1995 Bonds, the Series 1992 A Bonds and any other parity Bonds hereinafter issued, in accordance with the respective principal amounts of each such Series of Bonds then Outstanding, if less than the full amount required hereby.

ARTICLE V

INVESTMENTS; NON-ARBITRAGE; REBATES OF EXCESS INVESTMENT EARNINGS

Section 5.01. Investments. The Issuer shall invest and reinvest, and shall instruct the Bond Commission and the Depository Bank to invest and reinvest, any moneys held as a part of the funds and accounts created by this Ordinance in Qualified Investments to the fullest extent possible under applicable laws, this Ordinance, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this section.

Except as provided below, 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 Issuer 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 Issuer may make any and all investments permitted by this section through the bond department of the Depository Bank. The Depository Bank shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The following specific provision shall apply with respect to any investments made under this section:

(A) Qualified Investments acquired for the Depreciation Fund shall mature or be subject to retirement at the option of the holder within not more than 3 years from the date of such investment.

(B) The Issuer shall, or shall cause the Bond Commission to, semiannually transfer from the Reserve Account to the Sinking Fund any earnings on the moneys deposited therein and any other amounts in excess of the Reserve Account Requirement; provided, however, that there shall at all times remain on deposit in the Reserve Account an amount at least equal to the Reserve Account Requirement.

(C) In computing the amount in any fund or account, Qualified Investments shall be valued at the lower of the cost or the market price, exclusive of accrued interest. Valuation of all funds and accounts shall occur annually, except in the event of a withdrawal from the Reserve Account, whereupon it shall be valued immediately after such withdrawal. If amounts on deposit in the Reserve Account shall, at any time, be less than the

applicable Reserve Requirement, the applicable Bond Insurer, if any, shall be notified immediately of such deficiency, and such deficiency shall be made up from the first available Revenues after required deposits to the Sinking Fund and otherwise in accordance with Section 4.03(3).

All amounts representing accrued and capitalized interest shall be held by the Bond Commission, pledged solely to the payment of interest on the Bonds and invested only in Government Obligations maturing at such times and in such amounts as are necessary to match the interest payments to which they are pledged.

(D) Notwithstanding the foregoing, all moneys deposited in the Sinking Fund may be invested by the Bond Commission in 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.

Section 5.02. Arbitrage. The Issuer covenants that (i) it will restrict the use of the proceeds of the Bonds of each series in such manner and to such extent as may be necessary, so that such Bonds will not constitute "arbitrage bonds" under Section 148 of the Code and Regulations prescribed thereunder, 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 such Bonds) so that the interest on such 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 5.03. Tax Certificate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of any series of Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 1995 Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

Section 5.04. Rebate Calculation. The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation. The Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources.

Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be in time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. The Issuer at its expense, may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 5.04. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 5.04 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

ARTICLE VI

ADDITIONAL COVENANTS OF THE ISSUER

Section 6.01. Covenants of the Issuer. All the covenants, agreements and provisions of this Ordinance 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, as prescribed by Article VII. In addition to the other covenants, agreements and provisions of this Ordinance, the Issuer hereby covenants and agrees with the Holders of the Bonds, as hereinafter provided in this Article VI. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of said Bonds or the interest thereon, are Outstanding and unpaid.

Section 6.02. 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 Gross Revenues of the System, the moneys in the Sinking Fund and all accounts therein, the unexpended proceeds of the Bonds or moneys in a construction fund, if any, all as herein provided. No Holder or Holders of any Bonds issued hereunder 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 6.03. Bonds Secured by Pledge of Gross Revenues and Moneys in Sinking Fund. The payment of the debt service of all of the Bonds issued hereunder shall be secured forthwith equally and ratably by a parity first lien on the Gross Revenues derived from the operation of the System and all moneys in the Sinking Fund, including the Reserve Account therein, to the extent necessary to make the payments required under Section 4.03. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Bonds herein authorized, and to make the payments into the Sinking Fund, all moneys and securities in the Sinking Fund, including the Reserve Account therein, and all other payments provided for in this Ordinance, are hereby irrevocably pledged in the manner provided in this Ordinance to the payment of the principal of and interest on the Bonds herein authorized, on a parity basis, as the same become due and for the other purposes provided in this Ordinance.

Section 6.04. Rates. Prior to the issuance of the Series 1995 Bonds, just and equitable rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Clerk of the Issuer, which copy will be open to inspection by all interested parties. The schedule or schedules of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to make the prescribed payments into the funds and accounts created hereunder. Such schedule or schedules of rates and charges shall be

revised from time to time, whenever necessary, so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule or schedules of rates or charges from time to time in effect shall be sufficient at all times to produce Net Revenues equal to not less than the sum of (i) 125% of the Maximum Annual Debt Service on the Bonds in any Fiscal Year, and (ii) the amount, if any, required to be deposited in the Reserve Account in order to satisfy the Reserve Account Requirement within a period of not more than 12 months, assuming equal payments are made each month. All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

The Issuer hereby covenants to commence enactment of such rate ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination by the independent Consulting Engineers pursuant to their written report prepared in compliance with Section 6.10 hereof that less than the above-required coverage exists or in the event that the annual audit report shows less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

Section 6.05. Operation and Maintenance. The Issuer will maintain the System in good condition and will operate the same as a revenue-producing enterprise in an efficient and economical manner, making such expenditures for equipment and for renewal, repair and replacement as may be proper for the economical operation and maintenance thereof from the Revenues of said System in the manner provided in this Ordinance.

Section 6.06. Sale of the System. The System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to defease the pledge created by this Ordinance as provided by Section 9.01. The proceeds from such sale, mortgage, lease or other disposition of the System shall be immediately remitted to Bond Commission for deposit in the Sinking Fund, and otherwise as prescribed by Section 9.01. Any balance remaining after such defeasance shall be remitted to the Issuer by the Bond 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 is not in excess of $100,000, the Issuer shall, in writing, determine that such property comprising a part of the

System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Revenue Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $100,000 but not in excess of $200,000, the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Council may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $100,000 and not in excess of $200,000, shall be deposited by the Issuer into the Depreciation Fund. Such payments of such proceeds into the Depreciation Fund or the Redemption Account shall reduce the amounts required to be paid into said funds by other provisions of this Ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $200,000 and insufficient to defease the pledge created by this Ordinance, as provided by Section 9.01, without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of 60% in amount of 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 6.07. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds provided for in Section 6.08 hereof, 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 the Gross Revenues with the Bonds; and all obligations hereafter issued by the Issuer payable from the Revenues of the System, except such additional 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 Bonds.

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, except with respect to such additional parity Bonds, 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 Ordinance or upon the System or any part thereof.

Section 6.08. Additional Parity Bonds. No additional parity Bonds, as in this section defined, payable out of the Revenues of the System shall be issued after the

issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such additional parity Bonds shall be issued except for the purpose of financing the costs of the construction of additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

No such additional parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk of the Issuer a written statement by Independent Accountants, reciting the conclusion that the Net Revenues actually derived, from the System during the Fiscal Year preceding the date of the actual issuance of such additional parity Bonds, plus the increased annual Net Revenues expected to be received after the date of issuance of such parity Bonds shall not be less than 125% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

(2) Any additional parity Bonds thereafter issued pursuant to the provisions contained in this Ordinance then Outstanding; and

(3) The additional parity Bonds then proposed to be issued.

The "increased annual Net Revenues expected to be received," 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 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 additional parity Bonds, and shall not exceed the amount to be stated in the aforementioned certificate of Independent Accountants, which shall be filed in the office of the Clerk of the Issuer prior to the issuance of such additional parity Bonds. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

The term "additional parity Bonds," as used in this section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Series 1995 Bonds, and the Series 1992 A Bonds and all the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Series 1995 Bonds and the Series 1992 A Bonds, and the Holders of any additional parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the 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 Ordinance required for and on account of such additional parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

No additional parity Bonds shall be valid unless authenticated pursuant to Section 3.03. Prior to such authentication, registration, if applicable, and delivery, the Registrar shall receive those documents prescribed by Section 3.11 with respect to the Series 1995 Bonds, modified as deemed necessary by the Registrar to reflect the issuance of such additional parity Bonds.

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

No additional parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance on account of the Bonds then Outstanding, if any (excluding the Depreciation Fund), and any other payments provided for in this Ordinance, shall have been made in full as required to the date of delivery of the additional parity Bonds.

Notwithstanding the foregoing, the Issuer may issue additional parity Bonds without compliance with any other conditions for the purpose of refunding prior to maturity any series of the Bonds or portion thereof, provided that the annual debt service required on account of the refunding Bonds and the Bonds which are not refunded shall not be greater in any year in which the Bonds not refunded and the refunding Bonds are to be Outstanding than the annual debt service required in such year if the Bonds to be refunded were not so refunded.

Section 6.09. Insurance and Bonds. The Issuer hereby covenants and agrees, that so long as the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance and bonds and worker's compensation coverage with a reputable insurance carrier or carriers or bonding company or companies covering the following risks and in the following amounts:

A. FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the

System in an amount equal to the greater of the fair appraised value or the original cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damages or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than is customarily carried by municipalities of equivalent size with respect to works and properties similar to the System to protect the Issuer from claims for bodily injury and/or death and 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, provided that, the Issuer, with the review of an insurance consultant, may elect to self-insure. If the Issuer determines in good faith that any required insurance is not commercially available at a reasonable cost with reasonable terms, it shall engage an insurance consultant to verify the determination and to make recommendations regarding the types, amounts and provisions of any such insurance that should be purchased or funded by the Issuer, taking into consideration the costs and practices of other municipal water and sewer systems of similar size and type in the State to the extent that such information is available. The Issuer may, upon resolution adopted in good faith and upon the recommendations of the insurance consultant, adopt alternate or supplemental risk management programs which the Issuer determines to be reasonable, including the right to self-insure and participate in captive insurance companies.

C. WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer and such payment bonds will be filed with the Clerk of the County Commission of said County prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

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

E. BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

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

Section 6.10. Report of Consulting Engineers. The Issuer shall, at least once each year retain recognized qualified independent Consulting Engineers to review the operation, maintenance and repair of the System and to report to the Issuer in writing their recommendations and comments pertaining to the System, including the rate coverage of the System for each Fiscal Year. Such annual report of the Consulting Engineers, or a summary thereof, shall be made available, upon request, to the Original Purchaser, any Bond Insurer and any Bondholder.

Section 6.11. Services Rendered to the Issuer. The Issuer will not render or cause to be rendered any free services of any nature by its System; and, in the event the Issuer or any department, agency, instrumentality, officer or employee thereof shall avail himself 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. Such charges shall be paid as they accrue, and the Issuer shall transfer from its general funds sufficient sums to pay such charges for service to any of its departments or properties. The revenues so received shall be deemed to be Gross Revenues derived from the operation of the System and shall be deposited and accounted for in the same manner as other Gross Revenues derived from such operation of the System.

Section 6.12. 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 and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent rates, rentals and other charges, if not paid, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services and facilities of the System or waterworks portion thereof, to all delinquent users of services and facilities of the System and will not restore such services of the System (or waterworks portion thereof) until all billing for charges for the services and facilities of the System, plus reasonable interest penalty charges for the restoration of service, has been fully paid.

Section 6.13. 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 or body, or agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 6.14. 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 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, to the extent allowable under and in accordance with the rules and regulations of the Public Service Commission of West Virginia and the Act. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner, on the forms, in the books and along with other bookkeeping records as prescribed by the Issuer. The Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as it shall direct.

The Issuer shall file with the Original Purchaser and any Bond Insurer, and shall mail to any Bondholder requesting the same, an annual report within 120 days following the end of each Fiscal Year containing a balance sheet, statement of revenues, expenses, and changes in retained earnings, and statement of cash flows, as prescribed by generally accepted accounting principles.

The Issuer shall also file with the Original Purchaser and any Bond Insurer, and mail to any Bondholder requesting the same, a monthly unaudited report within 30 days following the end of each month containing the following:

(A) A statement of Gross Revenues, Operating Expenses, and Net Revenues derived from the System.

(B) A statement of account balances in the Sinking Fund accounts provided for in this Ordinance and status of said funds.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be completely audited by Independent Accountants, shall mail upon request, and make available generally, the report of said Independent Accountants, or a summary thereof, to any Holder or Holders of Bonds issued pursuant to this Ordinance and shall file said report with the Original Purchaser.

Section 6.15. Operating Budget. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, or at such earlier date required by the charter of the Issuer, prepare and adopt by resolution a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding Fiscal Year. 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 Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser, any Bond Insurer and any Bondholder or anyone acting for and in behalf of such Bondholder who requests the same.

Section 6.16. Mandatory Sewer Connections. The mandatory use of the sewerage services of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the City of Wheeling and in order to assure the rendering harmless of sewage and waterborne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the sewerage services of the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by sewerage services of the System, and every such owner, tenant or occupant shall, after a 30 day notice of the availability of sewerage services of the System, pay the rates and charges established therefor.

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

Section 6.17. 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) 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.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the 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 Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

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 all actions that may be required of it so that the interest on the 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 6.18. Municipal Bond Insurance Policy. The Issuer may apply for a Municipal Bond Insurance Policy for the Series 1995 Bonds and subsequent series of Bonds. In the event a Municipal Bond Insurance Policy is obtained for any series of Bonds, additional covenants and provisions relating to such series of Bonds as may be required by the applicable Bond Insurer as a condition to insuring such Bonds shall be set forth in a

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Bonds:

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part in this Ordinance or any Supplemental Resolution or in the Bonds contained, and such default shall have continued for a period of 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by any Bondholder or any Bond Insurer; or

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

Section 7.02. Enforcement. Upon the happening and continuance of any Event of Default, any Bondholder or any Bond Insurer may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his rights and, in particular:

(A) Bring suit for any unpaid principal or interest then due;

(B) By mandamus or other appropriate proceeding enforce all rights of the Bondholders, including the right to require the Issuer to perform its duties under the Act and this Ordinance;

(C) Bring suit upon the Bonds;

(D) 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 Bondholders; and

(E) By action or bill in equity enjoin any acts in violation of this Ordinance or the rights of the Bondholders.

No remedy by the terms of this Ordinance conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder or now or hereafter existing at law or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Bondholders shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

Section 7.03. Appointment of Receiver. If there be any Event of Default existing and continuing, any Bondholder or any Bond Insurer shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of the principal of and interest on the Bonds, the deposits into the funds and accounts hereby established as herein provided and the payment of Operating Expenses of the System and to apply such rates, rentals, fees, charges or other Revenues in conformity with the provisions of this Ordinance and the Act.

The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate, 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 issued pursuant to this Ordinance and interest thereon and under any covenants of this Ordinance for reserve, sinking or other funds and accounts 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 Ordinance 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 Bondholder 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, 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 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 the

Holders of the Bonds issued pursuant to this Ordinance. 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 the Bondholders, and the curing and making good of any default under the provisions of this Ordinance, 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, mortgage or otherwise dispose of any assets of the System.

Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, any trustee or Bondholder's committee shall consider the effect on the Bondholders as if no Municipal Bond Insurance Policy were then in effect.

Section 7.04. Restoration of Issuer and Bondholder. In case any Bondholder shall have proceeded to enforce any right under this Ordinance by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer and such Bondholder shall be restored to their former positions and rights hereunder, and all rights and remedies of such Bondholder shall continue as if no such proceedings had been taken.

ARTICLE VIII

REGISTRAR, PAYING AGENT AND DEPOSITORY BANK

Section 8.01. Appointment of Registrar, Paying Agent and Depository Bank. The Registrar, Paying Agent and Depository Bank (collectively, the "Fiduciaries") for the Series 1995 Bonds shall be appointed pursuant to the Supplemental Resolution. The City Manager of the Issuer is hereby authorized and directed to enter into an agreement with the Fiduciaries, the substantial form of which agreement is to be approved by Supplemental Resolution.

Section 8.02. Responsibilities of Fiduciaries. The recitals of fact in the Bonds shall be taken as statements of the Issuer, and the Fiduciaries shall not be responsible for their accuracy. The Fiduciaries shall not be deemed to make any representation as to, and shall not incur any liability on account of, the validity of the execution of any Bonds by the Issuer. Notwithstanding the foregoing, the Registrar shall be responsible for any representation in its Certificate of Authentication on the Bonds. The Fiduciaries and any successor thereto shall agree to perform all the duties and responsibilities spelled out in this Ordinance and any other duties and responsibilities incident thereto, all as provided by said agreement described in Section 8.01.

Section 8.03. Evidence on Which Fiduciaries May Act. Except as otherwise provided by Section 10.02, the Fiduciaries shall be protected in acting upon any notice, resolution, request, consent, order, certificate, opinion or other document believed by them to be genuine and to have been signed or presented by the proper party or parties. Whenever any Fiduciary shall deem it necessary or desirable that a fact or matter be proved or established prior to taking or suffering any action, such fact or matter, unless other evidence is specifically prescribed, may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Issuer, but in its discretion such Fiduciary may instead accept other evidence of such fact or matter.

Section 8.04. Compensation and Expenses. The Issuer shall pay to the Fiduciaries from time to time reasonable compensation for all services, including the transfer of registration of Bonds, the first exchange of Bonds and the exchange of Bonds in the event of partial redemption, incurred in the performance of their duties hereunder.

Section 8.05. Certain Permitted Acts. The Registrar may become the owner of or may deal in Bonds as fully and with the same rights it would have if it were not Registrar. To the extent permitted by law, the Registrar may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance, whether or

not any such committee shall represent the Holders of a majority in principal amount of the Bonds Outstanding.

Section 8.06. Resignation of Registrar. The Registrar may at any time resign and be discharged of its duties and obligations under this Ordinance by giving not less than 60 days' written notice to the Issuer and publishing in an Authorized Newspaper notice (or mailing such notice to each Bondholder in the event all Bonds are fully registered), specifying the date when such resignation shall take effect, within 20 days after the giving of such written notice. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Such resignation shall take effect upon the day specified in such notice unless a successor shall have been previously appointed by the Issuer or bondholders, in which event such resignation shall take effect immediately.

Section 8.07. Removal. The Registrar may be removed at any time by the Issuer or by the Holders of a majority in principal amount of the Bonds then Outstanding by an instrument or concurrent instruments in writing signed and duly acknowledged by the Issuer or by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer, as the case may be. Copies of each such instrument shall be delivered by the Issuer to the Registrar.

Section 8.08. Appointment of Successor. In case at any time the Registrar shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of the Registrar or of its property shall be appointed, or if any public officer or court shall take charge or control of the Registrar or of its property or affairs, a successor may be appointed by the Holders of a majority in principal amount of the Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to the Issuer and such successor Registrar, notification thereof being given to the predecessor Registrar. Pending such appointment, the Issuer shall forthwith appoint a Registrar to fill such vacancy until a successor Registrar shall be appointed by such Bondholders. The Issuer shall publish in an Authorized Newspaper (or mail to each Bondholder in the event all Bonds are fully registered) notice of any such appointment within 20 days after the effective date of such appointment. A copy of such notice shall also be mailed to each owner of a fully registered Bond or a coupon Bond registered as to principal (other than to bearer). Any successor Registrar appointed by the Issuer shall, immediately and without further act, be superseded by a Registrar appointed by such Bondholders. If in a proper case no appointment of a successor Registrar shall be made within 45 days after the Registrar shall have given to the Issuer written notice of resignation or after the occurrence of any other event requiring such appointment, the Registrar or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Registrar appointed under the provisions of this section shall be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance.

Section 8.09. Transfer of Rights and Property to Successor. Any predecessor Registrar or Paying Agent shall pay over, assign and deliver any moneys, books and records held by it to its successor.

Section 8.10. Merger or Consolidation. Any company into which the Registrar may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Registrar or any public officer or court may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Registrar without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank, trust company or national banking association meeting the requirements set forth in Section 8.08.

Section 8.11. Adoption of Authentication. In case any of the Bonds shall have been authenticated but not delivered, any successor Registrar may adopt a Certificate of Authentication and Registration executed by any predecessor Registrar and deliver such Bonds so authenticated, and, in case any Bonds shall have been prepared but not authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in its own name.

Section 8.12. Paying Agent and Depository Bank. The Registrar shall also serve as the Paying Agent and Depository Bank. The Registrar's acceptance of the duties and responsibilities of the Registrar expressed in Section 8.02 shall also include the trusts and the duties of Paying Agent and Depository Bank. Any alternate Paying Agent must be a bank, trust company or national banking association authorized to perform the duties imposed upon it by this Ordinance. Such alternate Paying Agent shall signify its acceptance of the duties and obligations imposed upon it pursuant hereto by executing and delivering to the Issuer a written acceptance thereof. Any successor Paying Agent shall take such actions as may be necessary to ensure that the Bonds shall be and remain DTC-Eligible.

Each Paying Agent shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by such Paying Agent in connection with such services solely from moneys available therefor.

Any bank, trust company or national banking association with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Ordinance. If the position of Paying Agent shall become vacant for any reason, the Issuer shall, within 30 days thereafter, appoint a bank, trust company or national banking association located in the same city as such Paying Agent to fill such vacancy; provided, however, that, if the Issuer shall fail to appoint such Paying Agent within said

period, the Bond Commission, a court of competent jurisdiction or a majority of the Bondholders may make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in this Article VIII with respect to the Registrar, insofar as such provisions may be applicable.

Notice of the appointment of successor or additional Paying Agents or fiscal agents shall be given in the same manner as provided by Section 8.08 hereof with respect to the appointment of a successor Registrar.

All moneys received by the Paying Agents shall, until used or applied as provided in this Ordinance, be held in trust for the purposes for which they were received.

ARTICLE IX

DEFEASANCE; DISCHARGE OF PLEDGE OF ORDINANCE

Section 9.01. Defeasance; Discharge of Pledge of Ordinance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Bonds issued pursuant to this Ordinance, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then this Ordinance and the pledges of the Revenues and other moneys and securities pledged hereunder, and all covenants, agreements and other obligations of the Issuer on behalf of the Holders of the Bonds made hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

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 the respective principal of and interest on such Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All 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 Bond Commission or an escrow trustee 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 Bond Commission or said escrow trustee at the same or earlier time shall be sufficient, to pay when due the principal of, any redemption premium on and interest due and to become due on said Bonds on and prior to the maturity date thereof, or if the Issuer irrevocably determines to redeem any of said Bonds prior to the maturity thereof, on and prior to said redemption date. Neither securities nor moneys deposited with the Bond Commission or an escrow trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Bonds; provided, that any cash received from such principal, redemption premium, if any, and interest payments on such securities deposited with the Bond Commission or said escrow trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal of and redemption premium, if any, and interest to become due on said Bonds on and prior to such maturity or redemption dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Bond Commission or said escrow trustee, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations, as such term is limited by the provisions in Section 1.01 hereof or the following:

1. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.

2. Resolution Funding Corp. (REFCORP) securities. Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form are acceptable.

3. Pre-refunded municipal bonds rated "Aaa" by Moody's or "AAA" by S&P. If however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U. S. or U. S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

4. Obligations issued by the following agencies which are backed by the full faith and credit of the U. S.:

   A. U. S. Export-Import Bank (Eximbank)
   Direct obligations or fully guaranteed certificates of beneficial ownership

   B. Farmers Home Administration (FmHA)
   Certificates of beneficial ownership

   C. Federal Financing Bank

   D. General Services Administration
   Participation certificates

   E. U. S. Maritime Administration
   Guaranteed Title XI financing

   F. U. S. Department of Housing and Urban Development (HUD)
   Project Notes
   Local Authority Bonds
   New Communities Debentures - U. S. government guaranteed debentures
   U. S. Public Housing Notes and Bonds - U. S. government guaranteed public housing notes and bonds

ARTICLE X

MISCELLANEOUS

Section 10.01. Amendment of Ordinance. Prior to the Closing Date for the Series 1995 Bonds, this Ordinance and any Supplemental Resolution may be amended, supplemented or modified in any way for any purpose without the consent of any Bondholder or other person. On or after the Closing Date, this Ordinance and any Supplemental Resolution may be amended, supplemented or modified in any way and at any time, so long as such amendment, supplement or modification does not materially adversely affect the rights of any Holders of the Bonds then Outstanding. In the event any of the Bonds are insured, no such amendment or modification which adversely affects the security for such Bonds or the rights of any Bond Insurer for such Bonds may be effected without the written consent of such Bond Insurer. Otherwise, no materially adverse amendment or modification to this Ordinance, or of any Supplemental Resolution, may be made without the written consent of the Holders of 60% in aggregate principal amount of the Bonds then Outstanding and affected thereby and such Bond Insurer, which must be filed with the Clerk of the Issuer before any such modification or amendment may be made. No such modification or amendment shall extend the maturity of or reduce the interest rate on, or otherwise alter the terms of payment of the principal of or interest on, any Bond without the express written consent of the Holder of such Bond, nor reduce the percentage of Bonds required for consent to any such modification or amendment.

Section 10.02. Evidence of Signatures of Bondholders and Ownership of Bonds. Any request, consent, revocation of consent or other instrument which this Ordinance may require or permit to be signed and executed by Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, shall be sufficient for any purpose of this Ordinance if made in the following manner, or in any other manner satisfactory to the Issuer or the Registrar, as the case may be, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

A. The fact and date of the execution by any Bondholder or his attorney of any such instrument may be proved (i) by the certificate of a notary public or other officer authorized to take acknowledgements of deeds to be recorded in the jurisdiction in which he purports to act that the person signing such instrument acknowledged to him the execution thereof, or by the affidavit of a witness of such execution, duly sworn to before such a notary public or other officer or (ii) by the certificate, which need not be acknowledged or verified, of an officer of a bank, a trust company or a financial firm or corporation satisfactory to the Issuer or the Registrar, as the case may be, that the person

signing such instrument acknowledged to such bank, trust company, firm or corporation the execution thereof.

B. The authority of a person or persons to execute any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or treasurer or a vice-president or an assistant treasurer of such corporation with a corporate seal affixed, and is attested by a person purporting to be its secretary or assistant secretary.

C. The amount of fully registered Bonds held by a person executing any instrument as a Bondholder, the date of his holding such Bonds and the numbers and other identification thereof, shall be confirmed by the Bond Register.

Any request, consent or other instrument executed by the Holder of any Bond shall bind all future Holders and owners of such Bond in respect of anything done or suffered to be done hereunder by the Issuer or the Registrar in accordance therewith.

Section 10.03. Preservation and Inspection of Documents. To the extent allowable under law, all reports, certificates, statements and other documents received by the Registrar under the provisions of this Ordinance shall be retained in its possession and shall be available at all reasonable times for the inspection of the Issuer or any Bondholder, and their agents and their representatives, but any such reports, certificates, statements or other documents may, at the election of the Registrar, be destroyed or otherwise disposed of at any time after such date as the pledge created by this Ordinance shall be discharged as provided in Section 9.01.

Section 10.04. Cancellation of Bonds. All Bonds purchased or paid shall, if surrendered to the Issuer, be cancelled and delivered to the Registrar, or, if surrendered to the Registrar, be cancelled by it. No such Bonds shall be deemed Outstanding under this Ordinance and no Bonds shall be issued in lieu thereof. All such Bonds shall be cancelled and upon order of the Issuer shall be destroyed, and a certificate evidencing such destruction shall be delivered to the Issuer.

Section 10.05. Failure to Present Bonds. Anything in this Ordinance to the contrary notwithstanding, any moneys held by the Bond Commission or a Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for 1 year after the date on which such Bonds have become due and payable, whether by maturity or upon call for redemption, shall at the written request of the Issuer be paid by the Bond Commission or said Paying Agent to the Issuer as its absolute property and free from trust, and the Bond Commission or said Paying Agent shall thereupon be released and discharged with respect thereto, and the Holders of such Bonds shall look only to the Issuer for the payment of such Bonds; provided, however, that, before making any such payment to the Issuer, the Registrar, if so advised by the Bond Commission, or said Paying Agent shall send to the Holder, at the address listed on the Bond Register, by certified mail, a

notice that such moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of such notice is mailed, the balance of such moneys then unclaimed will be returned to the Issuer. If any of said Bonds is a coupon Bond, the Registrar or said Paying Agent shall also publish such notice, not less than 30 days prior to the date such moneys will be returned to the Issuer, in an Authorized Newspaper.

Section 10.06. Notices, Demands and Requests. Unless otherwise expressly provided, all notices, demands and requests to be given or made hereunder to or by the Issuer, the Original Purchaser, the Registrar, the Depository Bank or the Bond Insurer shall be in writing and shall be properly made if sent by United States mail, postage prepaid, and addressed as follows or if hand-delivered to the individual to whom such notice, demand or request is required to be directed as indicated below:

ISSUER

City of Wheeling
City Hall
1500 Chapline Street
Wheeling, West Virginia 26003
Attention: City Manager

ORIGINAL PURCHASER

Legg Mason Wood Walker, Inc.
Two PNC Plaza, 19th Floor
Pittsburgh, Pennsylvania 15222

Hazlett, Burt & Watson, Inc.
1300 Chapline Street
Wheeling, West Virginia 26003

REGISTRAR AND PAYING AGENT

[Name(s) and address(s) to be set forth in the Supplemental Resolution]

DEPOSITORY BANK

[Name(s) and address(s) to be set forth in the Supplemental Resolution]

BOND INSURER

[Name(s) and address(s) to be set forth in the Supplemental Resolution]

Any party listed above may change such address listed for it at any time upon written notice of change sent by United States mail, postage prepaid, to the other parties.

Section 10.07. No Personal Liability. No member of the Council or officer or employee of the Issuer shall be individually or personally liable for the payment of the principal of or the interest on any Bond, but nothing herein contained shall relieve any such member, official or employee from the performance of any official duty provided by law or this Ordinance.

Section 10.08. Law Applicable. The laws of the State shall govern the construction of this Ordinance and of all Bonds issued hereunder.

Section 10.09. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Issuer, the Registrar, the Paying Agent, the Holders of the Bonds and the Original Purchaser, any right, remedy or claim under or by reason of this Ordinance. All the covenants, stipulations, promises and agreements contained in this Ordinance by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Registrar, the Paying Agent, the Holders of the Bonds and the Original Purchaser.

Section 10.10. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Ordinance.

Section 10.11. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 10.12. Conflicting Provisions Repealed. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed provided however, that, in the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall prevail.

Section 10.13. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council of the Issuer to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in The Intelligencer, a newspaper published and having a general circulation in the City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance

of the Bonds described in this Ordinance and that any person interested may appear before the Council at the public hearing to be had at a public meeting of Council on January 2, 1996, at 7:30 p.m., in the meeting room of the Council in the City Hall of the City of Wheeling and present protests, and that a certified copy of this Ordinance is on file with the Clerk for review by interested parties during the office hours of the Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

This Ordinance shall become effective following public hearing hereon in accordance with the Act.

First Reading:	December 5, 1995
Second Reading:	December 19, 1995
Effective following Public Hearing held on:	January 2, 1996

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

By
City Attorney

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the City Council of the CITY OF WHEELING at a regular meeting of the City Council held at 7:30 p.m., on January 2, 1996, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a newspaper having a general circulation in the City of Wheeling, the first publication having been not less than 10 days prior to such public hearing.

Dated this 8th day of January, 1997.

[SEAL]

Bruce L Jones

City Clerk

EXHIBIT A - [FORM OF SERIES 1995 BOND]

No. R-_____ $_____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING (WEST VIRGINIA)
COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BOND, SERIES 1995

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP NO.

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WHEELING, a municipal corporation organized and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above and solely from such special funds also to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on June 1 and December 1 of each year, beginning June 1, 1996 (each an "Interest Payment Date") until maturity or until the date fixed for redemption if this Bond is called for prior redemption and payment on such date is provided for. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the hereinafter described Ordinance.

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by _____, _____, West Virginia, as paying agent (in such capacity, the "Paying Agent"), to the Registered Owner hereof as of the applicable Record Date (each

May 15 and November 15) at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by _____, _____, West Virginia, as registrar (in such capacity, the "Registrar"), or, at the option of any Registered Owner of at least $500,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Paying Agent at least 5 days prior to such Interest Payment Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of this Bond for payment at the principal corporate trust office of the Paying Agent, in Wheeling, West Virginia.

This Bond is one of a series of bonds in the aggregate principal amount of $_____ designated "City of Wheeling Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995" (the "Series 1995 Bonds"), of like tenor and effect, except as to number, denomination, date of maturity and interest rate, dated _____, 1995, the proceeds of which are to be used, together with other funds of the Issuer, (i) to refund certain combined waterworks and sewerage system revenue bonds issued by the Issuer and outstanding in the aggregate principal amount of $_____, and defined in the hereinafter described Ordinance as the "Prior Bonds," which Prior Bonds were issued to finance and refinance the costs of acquisition and construction of certain municipal combined waterworks and sewerage facilities and additions, betterments and improvements thereto (collectively, the "System"); (ii) to fund a reserve account for the Series 1995 Bonds; and (iii) to pay certain costs of issuance of the Series 1995 Bonds and miscellaneous costs of such refunding. The Series 1995 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 20 of the West Virginia Code of 1931, as amended (the "Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act"), and an ordinance duly enacted by the City Council of the City on _____, 1995, and supplemented by a supplemental resolution duly adopted by said Council on _____, 1995 (hereinafter collectively referred to as the "Ordinance"), and is subject to all the terms and conditions of said Ordinance. The Ordinance 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 Series 1995 Bonds under the Ordinance. Reference is hereby made to the Ordinance, as the same may be amended and supplemented from time to time, for a description of the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Registrar, the Paying Agent, the Registered Owners of the Bonds and the Registered Owners of any subsequently issued additional bonds. Executed counterparts or certified copies of the Ordinance are on file at the office of the City Clerk in the City of Wheeling, West Virginia.

The Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by _____.

THE SERIES 1995 BONDS ARE ISSUED ON A PARITY WITH RESPECT TO LIEN, PLEDGE AND SOURCES OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1992 A, DATED MAY 1, 1992, HERETOFORE ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF $1,925,000 (THE "SERIES 1992 A BONDS").

The Series 1995 Bonds maturing on or after June 1, _____, are redeemable prior to their stated dates of maturity at the option of the City on or after June 1, _____, in whole at any time or in part on any interest payment date, in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the redemption price of par, plus interest accrued to the date fixed for redemption.

The Series 1995 Bonds maturing on June 1, _____, are subject to mandatory sinking fund redemption prior to maturity, in part by random selection as may be determined by the Registrar, on June 1 of the years and in the principal amounts as set forth below, at a redemption price equal to the principal amount thereof, plus interest accrued to the date fixed for redemption, without premium:

Year (June 1)	Amount

*By maturity

Notice of any redemption of the Series 1995 Bonds, unless waived, shall be given by the Registrar by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Series 1995 Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar. Notice of redemption having been given as aforesaid, the Series 1995 Bonds or portions of the Series 1995 Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 1995 Bonds or portions of Series 1995 Bonds shall cease to bear interest.

Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of proceedings for the redemption of this Series 1995 Bond.

This Bond, under the provisions of the Act and the Refunding Act, as defined on the reverse hereof, is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Bond is, under the Act and the Refunding Act exempt from taxation by the State of West Virginia, except inheritance, estate and transfer taxes.

This Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, as defined on the reverse hereof, and the 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 WHEELING has caused this Bond to be signed by its Mayor and its City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

This Bond, under the provisions of the Act and the Refunding Act, as defined on the reverse hereof, is and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may be transferred only upon the surrender hereof at the office of the Registrar and otherwise as provided by the within-described Ordinance.

This Bond is, under the Act and the Refunding Act exempt from taxation by the State of West Virginia, except inheritance, estate and transfer taxes.

This Bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon shall have been signed by the Registrar.

All provisions of the Ordinance, as defined on the reverse hereof, and the 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 WHEELING has caused this Bond to be signed by its Mayor and its City Manager, and its corporate seal to be imprinted hereon and attested by its City Clerk, and has caused this Bond to be dated as of the Bond Date specified above.

[SEAL]

(Manual or Facsimile Signature)
Mayor

(Manual or Facsimile Signature)
City Manager

ATTEST:

(Manual or Facsimile Signature)
City Clerk

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the fully registered Series 1995 Bonds described in the within-mentioned Ordinance and has been duly registered in the name of the Registered Owner designated above on the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson, Bond Counsel, signed originals of which are on file with the Registrar, delivered and dated on the date of the original delivery of and payment for the Bonds.

Dated: _____, _____.

_____,
as Registrar

By _____
Its Authorized Officer

STATEMENT OF INSURANCE

01/03/96
COWJ.A2
964250/95002

CITY OF WHEELING, WEST VIRGINIA

COMBINED WATERWORKS AND SEWERAGE SYSTEM
REFUNDING REVENUE BONDS, SERIES 1997

SUPPLEMENTAL RESOLUTION PROVIDING AS TO SERIES DESIGNATION, AMOUNT, MATURITIES, INTEREST RATES, REDEMPTION PROVISIONS, PURCHASE PRICE AND OTHER DETAILS AS TO THE COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1997 OF THE CITY; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK AGREEMENT, AN ESCROW AGREEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE CERTIFICATE AND OTHER INSTRUMENTS RELATING TO THE BONDS; IMPLEMENTING PROVISIONS REQUIRED AS A CONDITION TO OBTAINING A MUNICIPAL BOND INSURANCE POLICY INSURING THE BONDS FROM FINANCIAL GUARANTY INSURANCE COMPANY; APPOINTING AN ESCROW TRUSTEE, REGISTRAR, PAYING AGENT, AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, the City of Wheeling (the "Issuer"), in the County of Ohio, State of West Virginia, is a municipal corporation of said State, the governing body of which is its Council;

WHEREAS, this Council duly enacted on January 2, 1996, an ordinance (the "Ordinance") entitled:

AN ORDINANCE AUTHORIZING THE REFUNDING OF THE CITY'S OUTSTANDING COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1992 B, AND COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1992 C, BOTH DATED MAY 1, 1992, THE ISSUANCE OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REFUNDING REVENUE BONDS, SERIES 1995, OF THE CITY IN THE AGGREGATE

PRINCIPAL AMOUNT OF NOT MORE THAN $24,000,000, THE PROCEEDS OF WHICH, TOGETHER WITH OTHER FUNDS OF THE CITY, SHALL BE EXPENDED FOR SUCH REFUNDING, TO FUND A RESERVE ACCOUNT FOR SUCH BONDS AND TO PAY COSTS OF ISSUANCE THEREOF; PROVIDING FOR THE RIGHTS AND REMEDIES OF, AND THE SECURITY FOR, THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT AND OTHER DOCUMENTS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

providing for the issuance of its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1995 (to be herein redesignated "Series 1997" and herein called the "Series 1997 Bonds"), in an aggregate principal amount not to exceed $24,000,000 for the purposes of paying a portion of the costs of refunding the Issuer's outstanding Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992 B and Combined Waterworks and Sewerage System Revenue Bonds, Series 1992 C (collectively, the "Prior Bonds"); funding a reserve account for the Series 1997 Bonds; and paying costs of issuance thereof, all in accordance with Chapter 18, Article 20 and Chapter 13, Article 2E, of the Code of West Virginia, 1931, as amended (collectively, the "Act");

WHEREAS, the Ordinance provided that the exact principal amount of the Series 1997 Bonds, to be sold and the maturities, interest rates, redemption provisions and the price of the Series 1997 Bonds should be established, that an Escrow Trustee, Registrar, Paying Agent and Depository Bank be designated, that an Escrow Agreement and Registrar, Paying Agent and Depository Bank Agreement be approved, that additional covenants and provisions relating to the Series 1997 Bonds be provided herein as may be required by any Bond Insurer as a condition to insuring such Series 1997 Bonds and that other matters pertaining to the Series 1997 Bonds be provided for by resolution of this Council upon receipt of a Bond Purchase Agreement acceptable to this Council;

WHEREAS, the Series 1997 Bonds are proposed to be purchased by Legg Mason Wood Walker, Inc. and Hazlett, Burt & Watson, Inc. (collectively, the "Original Purchaser"), pursuant to a Bond Purchase Agreement dated the date of adoption hereof (the "Bond Purchase Agreement");

WHEREAS, the Issuer has obtained a commitment for Municipal Bond Insurance for the Series 1997 Bonds from Financial Guaranty Insurance Company (the

"Bond Insurer") and has determined that it is advantageous for the Issuer to obtain such Municipal Bond Insurance Policy and provide herein for certain matters required by the Bond Insurer as a condition to issuing such Municipal Bond Insurance Policy;

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Ordinance; and

WHEREAS, this Council deems it essential and desirable that this Resolution be adopted and that the Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate and the Registrar, Paying Agent and Depository Bank Agreement hereinafter provided for be entered into by the Issuer, that the Official Statement relating to the Series 1997 Bonds, hereinafter described, be approved, that the price of the Series 1997 Bonds, the maturity dates and amounts, the redemption provisions, the interest rates, and the exact principal amount of the Series 1997 Bonds be fixed hereby in the manner stated herein, that provisions required by the Bond Insurer as a condition to issuing its Municipal Bond Insurance Policy be provided herein and that other matters relating to the Series 1997 Bonds be herein provided for, all in accordance with said Ordinance;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WHEELING HEREBY RESOLVES:

Section 1. Pursuant to the Ordinance and the Act, this Resolution is adopted and there are hereby authorized and ordered to be issued the Series 1997 Bonds. The Series 1997 Bonds shall be dated January 1, 1997, upon original issuance, shall be issued in the aggregate principal amount, bear interest payable semiannually on June 1 and December 1 of each year, commencing June 1, 1997, shall mature on June 1 and December 1 in such years and shall have such redemption provisions as are set forth in EXHIBIT A - SERIES 1997 BOND TERMS, attached hereto and incorporated by reference herein. The Series designation set forth in the Ordinance shall be changed from "Series 1995" to "Series 1997" to properly reflect the year of delivery of the Series 1997 Bonds, and each place "Series 1995" appears in the Ordinance shall be and hereby is amended to read "Series 1997." All copies of the Ordinance shall be conformed to reflect such amendment. Except as otherwise set forth herein, all other provisions relating to the Series 1997 Bonds shall be as provided in the Ordinance, and the Series 1997 Bonds shall be in substantially the form provided in the Ordinance.

Section 2. The Bond Purchase Agreement between the Original Purchaser and the Issuer, dated the date of adoption of this resolution, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the City Manager and the Mayor on this day of the Bond Purchase Agreement on behalf of the Issuer are hereby authorized, approved, and directed. The City Manager and the Mayor shall execute and deliver the Bond Purchase Agreement with such changes, insertions and

omissions as may be approved by the City Manager and the Mayor. Execution of the Bond Purchase Agreement by the City Manager and the Mayor shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Bond Purchase Agreement relating to the issuance and sale of the Series 1997 Bonds, including the payment of all necessary fees and expenses in connection therewith. The price of the Series 1997 Bonds, pursuant to the Bond Purchase Agreement, shall be $20,311,177.75 ($20,600,000 par amount, less $103,422.25 Original Issue Discount and less $185,400.00 Underwriters' Discount), plus interest accrued from the date of the Series 1997 Bonds to the date of delivery of the Series 1997 Bonds, expected to be on or about January 8, 1997.

Section 3. The Escrow Agreement by and among the Issuer, the West Virginia Municipal Bond Commission and the Escrow Trustee designated herein, to be dated the Closing Date, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the City Manager thereof shall be and the same are hereby authorized, approved and directed. The City Manager shall execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be approved by the City Manager. Execution of the Escrow Agreement by the City Manager shall be conclusive evidence of any approval required by this Section.

Section 4. The Continuing Disclosure Certificate of the Issuer to be dated the Closing Date, substantially in the form submitted to this meeting, and the execution and delivery (in multiple counterparts) by the City Manager thereof shall be and the same are hereby authorized, approved and directed. The City Manager shall execute and deliver the Continuing Disclosure Certificate with such changes, insertions and omissions as may be approved by the City Manager. Execution of the Escrow Agreement by the City Manager shall be conclusive evidence of any approval required by this Section.

Section 5. The Official Statement dated the date of adoption of this resolution, to be substantially in the form of the Preliminary Official Statement described below (with such changes, insertions and omissions as may be necessary or advisable in the opinion of the City Manager and the Mayor), and the distribution of counterparts or copies thereof by the Original Purchaser are hereby approved. The City Manager and the Mayor shall execute and deliver the Official Statement with such changes, insertions and omissions as may be approved by the City Manager and the Mayor. The execution of the Official Statement by the City Manager and the Mayor shall be conclusive evidence of any approval required by this Section. The distribution by the Original Purchaser of the Preliminary Official Statement dated December 6, 1996 (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), substantially in the form submitted to this meeting is hereby ratified and approved. The certificate of the Issuer relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by the City Manager is hereby ratified and approved.

Section 6. The Registrar, Paying Agent and Depository Bank Agreement to be dated the Closing Date, by and between the Issuer and the Registrar/Paying Agent/Depository Bank designated herein, substantially in the form submitted to this

meeting, shall be and the same is hereby approved. The City Manager shall execute and deliver the Registrar, Paying Agent and Depository Bank Agreement with such changes, insertions and omissions as may be approved by the City Manager. The execution of the Registrar, Paying Agent and Depository Bank Agreement by the City Manager shall be conclusive evidence of any approval required by this Section.

Section 7. The Issuer does hereby determine that the Municipal Bond Insurance Policy offered by the Bond Insurer will result in an interest cost savings for the Issuer in excess of the premium to be paid by the Issuer for such Municipal Bond Insurance Policy, and accordingly hereby ratifies acceptance of the Commitment for Municipal Bond Insurance (the "Commitment"), dated November 21, 1996. The City Manager is hereby authorized and directed to execute the approval of the Commitment and deliver the same to the Bond Insurer. Execution of the Commitment shall be conclusive evidence of any approval required by this Section.

Section 8. Pursuant to the Commitment, and, as permitted by Section 6.18 of the Ordinance, the following covenants and provisions which are required by the Bond Insurer as a condition precedent to issuance of its Municipal Bond Insurance Policy are hereby set forth, such covenants and provisions to be supplemental and amendatory of, and controlling with respect to, the Ordinance and applicable to the Series 1997 Bonds:

A. Financial Guaranty Insurance Company, a New York stock insurance company, or any successor thereto is hereby designated as the Bond Insurer for the Series 1997 Bonds.

B. "Government Obligations" shall mean direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America; provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee ("Direct Obligations");

C. "Qualified Investments" shall mean:

(1) Direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; consolidated debt obligations and letter of credit-backed issues of the Federal Home Loan Banks; participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation ("FHLMCs"); debentures of the Federal Housing Administration; mortgage-backed securities (except stripped mortgage securities which are valued greater than par on the portion of unpaid principal) and senior debt obligations of the Federal National Mortgage Association ("FNMAs"); participation certificates of the General

Services Administration; guaranteed mortgage-backed securities and guaranteed participation certificates of the Government National Mortgage Association ("GNMAs"); guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; debt obligations and letter of credit-backed issues of the Student Loan Marketing Association; local authority bonds of the U. S. Department of Housing & Urban Development; guaranteed Title XI financings of the U. S. Maritime Administration; guaranteed transit bonds of the Washington Metropolitan Area Transit Authority; Resolution Funding Corporation securities;

(2) Direct obligations of any state of the United States of America or any subdivision or agency thereof whose unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's Investors Service and "A" or better by Standard & Poor's Corporation;

(3) Commercial paper (having original maturities of not more than 270 days) rated, at the time of purchase, "P-1" by Moody's Investors Service and "A-1" or better by Standard & Poor's Corporation;

(4) Federal funds, unsecured certificates of deposit, time deposits or bankers acceptances (in each case having maturities of not more than 365 days) of any domestic bank including a branch office of a foreign bank which branch office is located in the United States, provided legal opinions are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which, at the time of purchase, has a short-term "Bank Deposit" rating of "P-1" by Moody's and a "Short-Term CD" rating of "A-1" or better by Standard & Poor's;

(5) Deposits of any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than $3 million, provided such deposits are continuously and fully insured by the Bank Insurance Fund or

the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation;

(6) Investments in money-market funds rated "AAAm" or "AAAm-G" by Standard & Poor's Corporation;

(7) Repurchase agreements collateralized by Direct Obligations, GNMAs, FNMAs or FHLMCs with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank insured by the FDIC, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated "P-1" or "A3" or better by Moody's Investors Service, and "A-1" or "A-" or better by Standard & Poor's Corporation, provided:

(a) A master repurchase agreement or specific written repurchase agreement governs the transaction; and

(b) The securities are held free and clear of any lien by the Trustee or an independent third party acting solely as agent ("Agent") for the Trustee, and such third party is (i) a Federal Reserve Bank, (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than $50 million or (iii) a bank approved in writing for such purpose by Financial Guaranty Insurance Company, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee; and

(c) A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of the Trustee;

(d) The repurchase agreement has a term of 180 days or less, and the Trustee or the Agent will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral

percentage is not restored within two business days of such valuation;

(e) The fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 103%;

(8) Any State-administered pool investment fund in which the Issuer is statutorily permitted or required to invest; and

(9) Other forms of investment approved in writing by the Bond Insurer.

Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

D. Notwithstanding anything contained in Section 3.07 of the Ordinance to the contrary, notice of the redemption of any Series 1997 Bonds, other than mandatory sinking fund redemption and excepting any notice that refers to Series 1997 Bonds that are the subject of an advance refunding, shall be circulated only if sufficient funds have been deposited with the Paying Agent to pay the redemption price of the Series 1997 Bonds to be redeemed.

E. The Paying Agent shall, to the extent there are no other available funds held under the Ordinance, apply the remaining funds in the Construction Fund to pay principal and interest on the Series 1997 Bonds to the bondholders in the event of a payment default.

F. [Reserved].

G. Any credit instrument provided in lieu of a cash deposit into the Reserve Account shall include the following requirements:

(i) The Issuer may satisfy the Reserve Account Requirement to deposit a specified amount in the Reserve Account by the deposit of a surety bond, insurance policy or letter of credit as set forth below. The following requirements shall be fulfilled to the satisfaction of Bond Insurer in the event the Reserve Account Requirement is fulfilled by a deposit of a credit instrument (other than a credit instrument issued by Bond Insurer) in lieu of cash:

(1) A surety bond or insurance policy issued to the Paying Agent (the "Fiduciary"), as agent of the bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on the Bonds (a "municipal bond insurer") may be deposited in the Reserve Account to meet the Reserve Account Requirement if the claims paying ability of the issuer thereof shall be rated "AAA" or "Aaa" by S & P or Moody's, respectively.

(2) A surety bond or insurance policy issued to the Fiduciary, as agent of the bondholders, by an entity other than a municipal bond insurer may be deposited in the Reserve Account to meet the Reserve Account Requirement if the form and substance of such instrument and the issuer thereof shall be approved by Bond Insurer.

(3) An unconditional irrevocable letter of credit issued to the Fiduciary, as agent of the bondholders, by a bank may be deposited in the Reserve Account to meet the Reserve Account Requirement if the issuer thereof is rated at least "AA" by S & P. The letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the bonds. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than three years. The issuer of the letter of credit shall be required to notify the Issuer and the Fiduciary, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date.

If such notice indicates that the expiration date shall not be extended, the Issuer shall deposit in the Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the Reserve Account together with any other

qualifying credit instruments, to equal the Reserve Account Requirement on all outstanding Bonds, such deposit to be paid in equal installments on at least a semi-annual basis over the remaining term of the letter of credit, unless the Reserve Account credit instrument is replaced by a Reserve Account credit instrument meeting the requirements in any of paragraphs (1)-(3) above. The letter of credit shall permit a draw in full not less than two weeks prior to the expiration or termination of such letter of credit if the letter of credit has not been replaced or renewed. The Fiduciary shall draw upon the letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the Reserve Account is fully funded in its required amount.

(4) The use of any Reserve Account credit instrument pursuant to this Paragraph shall be subject to receipt of an opinion of counsel acceptable to Bond Insurer and in form and substance satisfactory to Bond Insurer as to the due authorization, execution, delivery and enforceability of such instrument in accordance with its terms, subject to applicable laws affecting creditors' rights generally, and, in the event the issuer of such credit instrument is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to Bond Insurer. In addition, the use of an irrevocable letter of credit shall be subject to receipt of an opinion of counsel acceptable to Bond Insurer to the effect that payments under such letter of credit would not constitute avoidable preferences under Section 547 of the U. S. Bankruptcy Code or similar state laws with avoidable preference provisions in the event of the filing of a petition for relief under the U. S. Bankruptcy Code or similar state laws by or against the issuer of the bonds (or any other account party under the letter of credit).

(5) The obligation to reimburse the issuer of a Reserve Account credit instrument for any fees, expenses, claims or draws upon such Reserve Account credit instrument shall be subordinate to

the payment of debt service on the Bonds. The right of the issuer of a Reserve Account credit instrument to payment or reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Account, and, subject to the second succeeding sentence, its right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the Reserve Account. The Reserve Account credit instrument shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Account credit instrument to reimbursement will be further subordinated to cash replenishment of the Reserve Account to an amount equal to the difference between the full original amount available under the Reserve Account credit instrument and the amount then available for further draws or claims. If (a) the issuer of a Reserve Account credit instrument becomes insolvent or (b) the issuer of a Reserve Account credit instrument defaults in its payment obligations thereunder or (c) the claims-paying ability of the issuer of the insurance policy or surety bond falls below S & P "AAA" or a Moody's "Aaa" or (d) the rating of the issuer of the letter of credit falls below a S & P "AA" the obligation to reimburse the issuer of the Reserve Account credit instrument shall be subordinate to the cash replenishment of the Reserve Account.

(6) If (a) the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or (b) the rating of the claims paying ability of the issuer of the surety bond or insurance policy falls below a S & P "AAA" or a Moody's "Aaa" or (c) the rating of the issuer of the letter of credit falls below a S & P "AA," the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the Reserve Account to equal the Reserve Account Requirement on all outstanding Bonds, such

amount to be paid over the ensuing five years in equal installments deposited at least semi-annually or (ii) replace such instrument with a surety bond, insurance policy or letter of credit meeting the requirements in any of paragraphs (1)-(3) above within six months of such occurrence. In the event (a) the rating of the claims-paying ability of the issuer of the surety bond or insurance policy falls below "A" or (b) the rating of the issuer of the letter of credit falls below "A" or (c) the issuer of the Reserve Account credit instrument defaults in its payment obligations or (d) the issuer of the Reserve Account credit instrument becomes insolvent, the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the Reserve Account to equal paragraphs (1)-(3) Reserve Account Requirement on all outstanding Bonds, such amount to be paid over the ensuing year in equal installments on at least a monthly basis or (ii) replace such instrument with a surety bond, insurance policy or letter of credit meeting the requirements in any of paragraphs (1)-(3) above within six months of such occurrence.

(7) Where applicable, the amount available for draws or claims under the Reserve Account credit instrument may be reduced by the amount of cash or permitted investments deposited in the Reserve Account pursuant to clause (i) of the preceding paragraph (6).

(8) If the Issuer chooses the above described alternatives to a cash-funded Reserve Account, any amounts owed by the Issuer to the issuer of such credit instrument as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in any calculation of debt service requirements required to be made pursuant to the Ordinance for any purpose, e.g., rate covenant or additional bonds test.

(9) The Fiduciary shall ascertain the necessity for a claim or draw upon the Reserve Account credit instrument and provide notice to the

issuer of the Reserve Account credit instrument in accordance with its terms not later than three days (or such longer period as may be necessary depending on the permitted time period for honoring a draw under the Reserve Account credit instrument) prior to each interest payment date.

(10) Cash on deposit in the Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Account credit instrument. If and to the extent that more than one Reserve Account credit instrument is deposited in the Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

H. Notwithstanding satisfaction of other conditions to the issuance of additional parity Bonds contained in Section 6.08 of the Ordinance, no such issuance may occur should any Event of Default have occurred and be continuing.

I. The Issuer shall provide to the Bond Insurer the following information:

(a) Within 120 days after the end of the Fiscal Year, a budget for the new year, annual audited financial statements, a statement of the amount on deposit in the Reserve Account as of the last valuation, and, if not presented in the audited financial statements, a statement of the Net Revenues pledged to payment of Bonds in such Fiscal Year;

(b) An Official Statement or other disclosure, if any, prepared in connection with the issuance of additional debt, whether or not it is on a parity with the Series 1997 Bonds within 30 days after the sale thereof;

(c) Notice of the redemption, other than mandatory sinking fund redemption, of any of the

Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(d) Simultaneously with the delivery of the annual audited financial statements:

(i) The number of System users as of the end of the Fiscal Year;

(ii) Notification of the withdrawal of any System user comprising 4% or more of System sales measured in terms of revenue dollars since the last reporting date; and

(iii) Any significant plant retirements or expansions planned or undertaken since the last reporting date; and

(e) Such additional information as the Bond Insurer may reasonably request from time to time.

J. In determining whether an Event of Default has occurred under Section 7.01 of the Ordinance or whether a payment on the Series 1997 Bonds has been made under the Ordinance, no effect shall be given to payments made under the Bond Insurance Policy.

K. For all purposes of Article VII of the Ordinance governing Events of Default and remedies, except the giving of notice of default to Bondholders, the Bond Insurer shall be deemed to be the sole holder of the Series 1997 Bonds it has insured for so long as it has not failed to comply with its payment obligations under the Bond Insurance Policy.

L. The Bond Insurer shall receive immediate notice of any payment default and notice of any other Event of Default known to the Issuer or Paying Agent within 30 days of the notifying party's knowledge thereof.

M. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and

has accepted the duties of Paying Agent. The Bond Insurer shall be furnished with written notice of the resignation or removal of the Paying Agent and the appointment of any successor thereto.

N. The Bond Insurer shall be included as a party in interest and as a party entitled to (i) notify the Paying Agent of the occurrence of an Event of Default and (ii) request the Paying Agent to intervene in judicial proceedings that affect the Bonds or the security therefor. The Paying Agent shall be required to accept notice of default from the Bond Insurer.

O. Notwithstanding any provision of Section 9.01 of the Ordinance, only cash, direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, Refcorp interest strips, CATS, TIGRS, STRPS, or defeased municipal bonds rated AAA by S & P or Aaa by Moody's (or any combination thereof) may be used to effect defeasance of the Series 1997 Bonds unless the Bond Insurer otherwise approves. In the event of an advance refunding of any Series 1997 Bonds, the Issuer shall cause to be delivered to the Bond Insurer a verification report of an independent nationally recognized certified public accountant.

P. Notwithstanding any provision of Section 10.01 of the Ordinance, any amendment or supplement to the Ordinance shall be subject to the prior written consent of the Bond Insurer. Any rating agency rating the Series 1997 Bonds must receive notice of each amendment and a copy thereof at least 15 days in advance of its execution or adoption.

Q. The Bond Insurer shall be provided with a full transcript of all proceedings relating to the execution of any supplemental or amendatory Ordinance.

R. The following additional provisions shall apply to the Series 1997 Bonds:

(i) If, on the third day preceding any interest payment date for the Series 1997 Bonds there is not on deposit with the Paying Agent sufficient moneys available to pay all principal of and interest on the Series 1997 Bonds due on such

date, the Paying Agent shall immediately notify the Bond Insurer and Citibank, N.A., New York, New York or its successor as its Fiscal Agent (the "Fiscal Agent") of the amount of such deficiency. If, by said interest payment date, the Issuer has not provided the amount of such deficiency, the Registrar shall simultaneously make available to the Bond Insurer and to the Fiscal Agent the registration books for the Bonds maintained by the Registrar. In addition:

(A) The Registrar shall provide the Bond Insurer with a list of the Bondholders entitled to receive principal or interest payments from the Bond Insurer under the terms of the Bond Insurance Policy and shall make arrangements for the Bond Insurer and its Fiscal Agent (1) to mail checks or drafts to Bondholders entitled to receive full or partial interest payments from the Bond Insurer and (2) to pay principal of the Series 1997 Bonds surrendered to the Fiscal Agent by the Bondholders entitled to receive full or partial principal payments from the Bond Insurer; and

(B) The Registrar shall, at the time it makes the registration books available to FGIC pursuant to (A) above, notify Bondholders entitled to receive the payment of principal of or interest on the Series 1997 Bonds from the Bond Insurer (1) as to the fact of such entitlement, (2) that the Bond Insurer will remit to them all or part of the interest payments coming due subject to the terms of the Bond Insurance Policy, (3) that, except as provided in paragraph (ii) below, in the event that any Bondholder is entitled to receive full payment of principal from the

Bond Insurer, such Bondholder must tender his Series 1997 Bond with the instrument of transfer in the form provided on the Series 1997 Bond executed in the name of the Bond Insurer, and (4) that, except as provided in paragraph (ii) below, in the event that such Bondholder is entitled to receive partial payment of principal from the Bond Insurer, such Bondholder must tender his Series 1997 Bond for payment first to the Paying Agent, which shall note on such Series 1997 Bond the portion of principal paid by the Paying Agent, and then, with an acceptable form of assignment executed in the name of the Bond Insurer, to the Fiscal Agent, which will then pay the unpaid portion of principal to the Bondholder subject to the terms of the Bond Insurance Policy.

(ii) In the event that the Paying Agent has notice that any payment of principal of or interest on a Series 1997 Bond has been recovered from a Bondholder pursuant to the United States Bankruptcy Code by a Paying Agent in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Paying Agent shall, at the time it provides notice to the Bond Insurer, notify all Bondholders that in the event that any Bondholder's payment is so recovered, such Bondholder will be entitled to payment from the Bond Insurer to the extent of such recovery, and the Paying Agent shall furnish to the Bond Insurer, its records evidencing the payments of principal of and interest on the Series 1997 Bonds which have been made by the Paying Agent and subsequently recovered from Bondholders, and the dates on which such payments were made.

(iii) The Bond Insurer shall, to the extent it makes payment of principal of or interest on the

Series 1997 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy and, to evidence such subrogation, (1) in the case of subrogation as to claims for past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books maintained by the Registrar upon receipt from the Bond Insurer, of proof of the payment of interest thereon to the Bondholders of such Bonds and (2) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Bonds maintained by the Paying Agent upon receipt of proof of the payment of principal thereof to the Bondholders of such Bonds. Notwithstanding anything in the Ordinance, this Supplemental Resolution or the Bonds to the contrary, the Paying Agent shall make payment of such past due interest and past due principal directly to the Bond Insurer to the extent that the Bond Insurer is a subrogee with respect thereto.

S. The Bond Insurer shall be deemed a "party interested" under Section 10.09 of the Ordinance.

Section 9. Based upon the actual principal amount, maturity schedule and interest rates for the Series 1997 Bonds, as set forth in **EXHIBIT A**, attached hereto, it is hereby determined that the Series 1997 Bonds show a net savings to the Issuer after deducting all expenses of the refunding. Prior to delivery of the Series 1997 Bonds, the Issuer shall have obtained from Grant Thornton, L.L.P., Minneapolis, Minnesota or such other independent certified public accountant acceptable to the Mayor and City Manager, a certification that the amount of savings stated to be achieved by the refunding shall in fact be correct, based upon their review, comparison and analysis of the net interest cost in dollars of the Series 1997 Bonds and the net interest cost in dollars of the Prior Bonds. The Mayor and City Manager are hereby authorized and directed to employ Grant Thornton, L.L.P., Minneapolis, Minnesota or such other independent certified public accountant satisfactory to Bond Counsel to supply the certification required herein and to take other actions required in connection with the refunding.

Section 10. The Issuer does hereby appoint and designate Bank One, West Virginia, N.A., Charleston, West Virginia, for the purpose of serving in the capacities of Registrar, Paying Agent, Depository Bank and Escrow Trustee.

Section 11. The firm of Steptoe & Johnson, Clarksburg, West Virginia, is hereby appointed bond counsel to the City in connection with the issuance of the Series 1997 Bonds.

Section 12. The firm of Grant Thornton, L.L.P., Minneapolis, Minnesota, is hereby engaged for the purpose of verifying yield and sufficiency of the Escrow Fund.

Section 13. The notice addresses for the Registrar, Paying Agent, Depository Bank, Original Purchaser, Bond Insurer and Fiscal Agent shall be as follows:

REGISTRAR, PAYING AGENT AND
DEPOSITORY BANK

Bank One, West Virginia, N.A.
707 Virginia Street
Post Office Box 1113
Charleston, West Virginia 25324
Attention: Trust Officer

ORIGINAL PURCHASER

Legg Mason Wood Walker, Inc.
Two Oliver Plaza
Pittsburgh, Pennsylvania 15222
Attention: Public Finance Department
and
Hazlett, Burt & Watson, Inc.
1300 Chapline Street
Wheeling, West Virginia 26003
Attention: President

BOND INSURER

Financial Guaranty Insurance Company
115 Broadway
New York, New York 10006
Attention: General Counsel

FISCAL AGENT

West Virginia Municipal Bond Commission
812 Quarrier Street, Suite 300
Charleston, West Virginia 25301
Attention: Executive Director

Section 14. The City Manager, Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Series 1997 Bond issue, including, but not limited to, subscription forms for the purchase of United States Treasury Obligations, to the end that the Series 1997 Bonds may be delivered on a timely basis to the Original Purchaser pursuant to the Bond Purchase Agreement.

Section 15. Under the provisions of the Act, and as provided in the Ordinance and the Series 1997 Bonds, the Series 1997 Bonds and the interest thereon do not constitute indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, but shall be payable solely from the revenues derived from the operation of the System of the Issuer, the Series 1997 Bonds Reserve Account and the Depreciation Fund established by the Ordinance, and neither the credit nor the taxing power of the Issuer is pledged for, and no tax shall ever be levied for, payment of the Series 1997 Bonds and the interest thereon.

Section 16. The City Manager and other appropriate officers and employees of the Issuer are hereby authorized and directed to take all further actions necessary to cause the Series 1997 Bonds to be insured by the Bond Insurer or such other municipal bond insurance company as is acceptable to the Original Purchaser. Any rebate received by the Issuer in connection with municipal bond insurance on the Prior Bonds shall be deposited by the Issuer in accordance with the Escrow Agreement.

Section 17. This Resolution shall be effective immediately.

Adopted this 17th day of December, 1996.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CERTIFICATION

Certified a true, correct and complete copy of a Supplemental Resolution duly adopted by the City Council of the CITY OF WHEELING at a regular meeting of the City Council held at 7:30 p.m., on December 17, 1996, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this 8th day of January, 1997.

[SEAL]

Janice L Jones
City Clerk

01/03/97
COWJ.B5
964250/95002

EXHIBIT A - SERIES 1997 BOND TERMS

$20,600,000 Combined Waterworks and Sewerage System
Refunding Revenue Bonds, Series 1997

Maturity (June 1 and December 1)	Amount	Interest Rate	Maturity (June 1 and December 1)	Amount	Interest Rate
June 1, 1997	$435,000.00	3.650%	June 1, 2005	$ 820,000.00	4.850%
December 1, 1997	325,000.00	3.750	December 1, 2005	400,000.00	4.850
June 1, 1998	450,000.00	4.000	June 1, 2006	875,000.00	4.900
December 1, 1998	300,000.00	4.050	December 1, 2006	425,000.00	4.900
June 1, 1999	470,000.00	4.150	June 1, 2007	920,000.00	5.250
December 1, 1999	310,000.00	4.150	December 1, 2007	445,000.00	5.000
June 1, 2000	495,000.00	4.300	June 1, 2008	970,000.00	5.100
December 1, 2000	320,000.00	4.300	December 1, 2008	465,000.00	5.100
June 1, 2001	515,000.00	4.450	June 1, 2009	1,025,000.00	5.250
December 1, 2001	340,000.00	4.450	December 1, 2009	490,000.00	5.250
June 1, 2002	540,000.00	4.550	June 1, 2010	1,080,000.00	5.300
December 1, 2002	350,000.00	4.550	December 1, 2010	515,000.00	5.300
June 1, 2003	565,000.00	4.650	June 1, 2011	1,140,000.00	5.400
December 1, 2003	370,000.00	4.650	December 1, 2011	545,000.00	5.400
June 1, 2004	615,000.00	4.750	June 1, 2012	1,200,000.00	5.500
December 1, 2004	385,000.00	4.750	December 1, 2012	575,000.00	5.500
			December 1, 2015	1,925,000.00	5.500

OPTIONAL REDEMPTION

The Series 1997 Bonds shall not be subject to optional redemption prior to June 1, 2007. The Series 1997 Bonds maturing on or after December 1, 2007, shall be redeemable prior to their stated dates of maturity at the option of the Issuer on or after June 1, 2007, in whole or in part at any time in such order of maturity as shall be designated to the Registrar by the Issuer and by lot within a maturity, at the redemption price of par, plus interest accrued to the date fixed for redemption.

MANDATORY SINKING FUND REDEMPTION

The Series 1997 Bonds maturing December 1, 2015, shall be subject to mandatory sinking fund redemption prior to maturity in part by random selection as may be determined by the Registrar, on December 1 of the years and in accordance with the following mandatory redemption schedule, at a redemption price equal to the principal amount thereof, plus interest accrued to the date fixed for redemption, without premium:

SERIES 1997 BONDS MATURING DECEMBER 1, 2015

Year (December 1)	Amount
December 1, 2013	$610,000
December 1, 2014	640,000
December 1, 2015	675,000*

* By maturity

If a Series 1997 Bond is called for redemption in part, the Series 1997 Bond shall be renumbered and exchanged for a Series 1997 Bond of the amount then outstanding, without charge to the Bondholder.

CITY OF WHEELING

COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2002 A

BOND ORDINANCE

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CITY OF WHEELING

ORDINANCE AUTHORIZING THE DESIGN AND PRELIMINARY ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING; THE ISSUANCE BY THE CITY OF NOT MORE THAN $1,940,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2002 A, FOR THE PURPOSES OF FINANCING THE COSTS OF SUCH DESIGN AND PRELIMINARY COSTS; 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; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT THERETO.

THE CITY COUNCIL OF THE CITY OF WHEELING HEREBY ORDAINS AS FOLLOWS:

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 "Bonds Legislation") is adopted pursuant to the provisions of Chapter 8, Article 20 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 Wheeling (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Ohio County of said State.

B. The Issuer presently owns and operates a public combined waterworks and sewerage system (the "System") pursuant to the Act, which serves customers within and outside the City of Wheeling, Ohio County, West Virginia. The Issuer has determined to undertake certain additions, betterments and improvements for the System, consisting generally of (i) upgrade and capacity expansion of its existing wastewater treatment plant, separation of stormwater and sanitary sewer flows, distribution line repairs and replacements telemetry and other improvements, renovations, repairs and extensions for its sanitary sewer system, and (ii) upgrade and capacity expansion or replacement of its existing water treatment plant, additional and replacement lines, pumps, storage tanks and other renovations, repairs and extensions for its public waterworks facilities (collectively, the "Project").

C. The Issuer intends to permanently finance costs of design of the Project and certain preliminary costs of acquisition and construction of the Project through the issuance of its revenue bonds.

D. It is deemed necessary for the Issuer to issue its Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2002 A (the "Bonds"), in an aggregate principal amount of not more than $1,940,000, to finance the costs of design of the Project and preliminary costs of acquisition and construction thereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the cost of design of the Project, and the performance of the things herein required or permitted, in connection therewith any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The Bonds shall be payable only from and secured by a lien on the Gross Revenues (as hereinafter defined) of the System and a first statutory mortgage lien on the System, on a parity with the Prior Bonds (as hereinafter defined). The Issuer has outstanding (i) its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992A, dated May 1, 1992, issued in the original aggregate principal amount of $1,925,000; and (ii) its Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000 (collectively the "Prior Bonds"). The Prior Bonds are payable from and secured by a first lien on the Gross Revenues of the System and a first statutory mortgage lien on the System. Except for the Prior Bonds, the Issuer has no other bonds, Bonds or other

obligations secured by or payable from the Gross Revenues. The Bonds shall be on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment.

F. The period of usefulness of the Project and the System is not less than 40 years.

G. It is in the best interests of the Issuer that its Bonds be sold to the Purchaser (as hereinafter defined) pursuant to the terms and conditions of the commitment letter of the Purchaser.

H. The Issuer has complied with all requirements of West Virginia law relating to the issuance of the Bonds, or will have so complied prior to issuance of the Bonds.

Section 1.03. Definitions. All capitalized terms used in this Ordinance and not otherwise defined herein shall have the following meanings in this Ordinance unless the context expressly requires otherwise:

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended and in effect on the date of enactment of this Ordinance.

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

"Bondholder" or "Holder of the Bonds" or "Holder" or "Registered Owner" or any similar term means any person who shall be the registered owner of any Outstanding Bond or Bonds.

"Bonds" or "Series 2002 A Bonds" means the not more than $1,940,000 in aggregate principal amount of Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2002 A, authorized hereby to be issued pursuant to this Bond Legislation.

"Bond Legislation" or "Ordinance" means this Bond Ordinance and all orders, ordinances and resolutions supplemental hereto or amendatory hereof.

"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 Bonds for the proceeds or at least an initial advance of more than a de minimis portion thereof representing the purchase price of the Bonds by the Purchaser.

"Code" means the Internal Revenue Code of 1986, as amended and supplemented from time to time, and Regulations thereunder.

"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 GGJ, Inc., Willoughby, Ohio, 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 Design of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of design of the Project.

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

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

"FDIC" means the Federal Deposit Insurance Corporation or 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.

"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, 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) or any Tap Fees.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System

or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Issuer" or "City" means the City of Wheeling, a municipal corporation and political subdivision of the State of West Virginia, in Ohio County, West Virginia, and, unless the context clearly indicates otherwise, includes the Council of the Issuer.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any. 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 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 Bonds and is not acquired in order to carry out the governmental purpose of the Bonds.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions, betterments or improvements for the System), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, 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 Prior Bonds or the Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being delivered except (a) any Note for the payment of which moneys, equal to its principal amount, with interest to the date of maturity, shall be held in trust under this Ordinance and set aside for such payment (whether upon or prior to maturity); and (b) any Note deemed to have been paid as provided in Article VI hereof.

"Parity Bonds" means additional bonds or Bonds issued within the limitations prescribed in Section 3.11, hereof.

"Paying Agent" means the Commission or such other entity to be designated as the Paying Agent for the Bonds in the Supplemental Resolution and its successors and assigns.

"Prior Bonds" means collectively, (i) the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992A, dated May 1, 1992, originally issued in the aggregate principal amount of $1,925,000; and (ii) the Issuer's Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated May 1, 1996, issued in the original aggregate principal amount of $20,600,000.

"Prior Bonds Sinking Fund" means the Sinking Fund for the Prior Bonds, established by the Prior Ordinance.

"Prior Bonds Reserve Account" means the Reserve Account in the Sinking Fund for the Prior Bonds established by the Prior Ordinance.

"Prior Ordinance" means collectively the ordinances of the Issuer enacted April 7, 1992 and January 2, 1996 as supplemented, 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.

"Purchaser" means the first purchaser of the Bonds directly from the Issuer, designated as such in the Supplemental Resolution and its successors and assigns.

"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, Bonds 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.

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

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

"Series 2002 A Bonds" "Series 2002 A Bonds Reserve Account" means Reserve Account in the Series 2002 A Bonds Sinking Fund created for the Bonds pursuant to Section 4.03 hereof.

"Series 2002 A Bonds Reserve Account Requirement" means the sum of $97,000.

"Series 2002 A Bonds Sinking Fund" means the Series 2002 A Bonds Sinking Fund created for the Bonds pursuant to Section 4.03 hereof.

"State" means the State of West Virginia.

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

"Surplus Revenues" means the Net Revenues not required by the Prior Ordinance (or any subsequent ordinance authorizing issuance of first-lien revenue bonds) to

be set aside and held for the payment of or security for the Prior Bonds or the Bonds (or subsequent first-lien bonds or Bonds), including moneys deposited in any Sinking Fund or any Reserve Account therefor.

"System" means, collectively, the complete existing public combined waterworks and sewerage system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include any extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, both within and without the Issuer.

"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. Accounting terms not specifically defined herein shall be given meaning in accordance with generally accepted accounting principles.

Words importing singular number include the plural number in each case and vice versa; words importing the masculine gender include every other gender; and words importing persons include firms, partnerships, associations and corporations.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Ordinance; and the term "hereafter" means after the date of enactment of this Ordinance.

Section 1.04. Bonds Legislation Constitutes Contract. In consideration of the acceptance of the Bonds by those who shall be the Registered Owners of the same from time to time, this Bonds Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the benefit, protection and security of the Registered Owners of the Bonds.

ARTICLE II

AUTHORIZATION OF DESIGN AND PRELIMINARY ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Design and Preliminary Acquisition and Construction of the Project. There is hereby authorized and ordered the design of the Project and preliminary land acquisition and construction work relating to the Project, at an estimated cost of $1,940,000. The proceeds of the Bonds hereby authorized shall be applied as provided in Article IV hereof. The Issuer has or shall enter into a contract or contracts for the design of the Project.

ARTICLE III

THE BONDS

Section 3.01. Authorization of the Bonds. For the purposes of financing the Costs of design of the Project, preliminary costs of acquisition and construction of the Project and paying the costs of issuance of the Bonds and related costs, there shall be and hereby are authorized to be issued the Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2002 A, of the Issuer, in an aggregate principal amount of not more than $1,940,000.

Section 3.02. Terms of Bonds. The Bonds shall be issued in the aggregate principal amount of not more than $1,940,000. The Bonds shall be issued in fully registered form and shall be initially issued as one Bond, numbered AR-1. The Bonds shall be dated such date, shall bear interest at such rate or rates, not exceeding the then legally permissible limit on such date or dates; shall mature on such dates; and shall be subject to such repayment or redemption, all as provided in the Supplemental Resolution or as specifically provided in the Bonds. The Bonds shall be payable as to principal and interest at the principal office of the Paying Agent in any coin or currency which, on the date of payment, is legal tender for the payment of public and private debts under the laws of the United States of America.

The aggregate proceeds of the Bonds may or may not be paid to the Issuer upon delivery of the Bonds, and if not, shall be advanced to the Issuer as requested by the Issuer on a line of credit basis, and the Bonds shall evidence only the indebtedness recorded on the Record of Advances attached thereto and incorporated therein. Interest shall accrue on the Bonds only on the amount of each advance from the actual date thereof as listed on said Record of Advances.

Section 3.03. Execution and Authentication of Bonds. The Bonds shall be executed in the name of the Issuer by the manual signature of its Mayor and City Manager and the seal of the Issuer shall be affixed thereto, and attested by the manual signature of the City Clerk of the Issuer. 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 shall have been actually sold or 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 of the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

No Bond shall be valid or entitled to any security or benefit under this Ordinance unless and until the certificate of authentication and registration on such Bond shall have been duly manually executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bonds Legislation. The certificate of authentication and registration shall be deemed to have been executed by the Registrar if signed by an authorized officer of the 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 3.04. Negotiability, Transfer and Registration. Subject to the restrictions on transfer set forth below, the Bonds shall be and have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, and each successive Holder, in accepting any of said Bonds, shall be conclusively deemed to have agreed that said 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 remains Outstanding, the Registrar shall keep and maintain books for the registration and transfer of the Bonds. The Bonds shall be transferrable only upon the books of the Registrar which shall be kept for that purpose at the office of the Registrar by request of the registered owner thereof in person or by his attorney duly authorized in writing, and upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of a Bond, there shall be issued to the transferee another fully registered Bond or Bonds of the aggregate principal amount equal to the unpaid amount of the transferred Bond.

In all cases in which the privilege of transferring Bonds is exercised, Bonds shall be delivered in accordance with the provisions of this Ordinance. All Bonds surrendered in any such transfers shall forthwith be canceled by the Registrar. For every such transfer of Bonds, the 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 transfer and the cost of preparing each new Bond upon each transfer, and any other expenses of the Registrar incurred in connection therewith, which sum or sums shall be paid by the person requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. The Registrar shall not be obliged to make any such transfer of Bonds during the 15 days preceding an interest payment date on the Bonds or after notice of any prepayment of the Bonds has been given.

Section 3.05. 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 deliver a new Bond in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bonds or in lieu of and substitution for the Bond destroyed, stolen or lost and upon the Holder's furnishing the Issuer proof of ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. All Bonds so surrendered shall be submitted to and canceled by the Registrar and held for the account of the Issuer. If 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 3.06. 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. No holder or holders of the Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Bonds or the interest, if any, thereon.

Section 3.07. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of the Bonds shall be secured by a first lien on the Gross Revenues derived from the System, on a parity with the lien on such Gross Revenues in favor of the Holders of the Prior 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 all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.08. Form of Bonds. The text of the Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Ordinance or any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF WHEELING
COMBINED WATERWORKS AND SEWERAGE SYSTEM
DESIGN REVENUE BOND, SERIES 2002 A

No. AR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF WHEELING, a municipal corporation and political subdivision of the State of West Virginia in Ohio County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of

- _____ -

or registered assigns (the "Registered Owner"), the principal sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as evidened by the Record of Advances attached as EXHIBIT A - RECORD OF ADVANCES, hereto and incorporated herein by reference as a part hereof, together with interest on the aggregate of such advances from the date thereof at the times and at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of _____% per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Bond shall be payable at the rate of _____% per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Bond is asserted, declared or determined to be includible in gross income for federal income tax purposes, and shall continue until the entire principal of and interest on this Bond are paid,

notwithstanding that the entire principal amount of this Bond may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Bond by reason of such increase shall become immediately due and payable.

C. Interest on this Bond shall be payable on _____ 1 and _____ 1, commencing _____ 1, 2002, and continuing through and including _____. Thereafter principal of and interest on this Bond shall be payable in semiannual installments on _____ 1 and _____ 1 of each year, commencing _____ 1, 2002, and continuing through and including _____, 20___, in accordance with the Payment Schedule attached hereto as EXHIBIT B - PAYMENT SCHEDULE and incorporated by reference hereon. Unless earlier prepaid, this Bond shall finally mature, and all previously unpaid principal of and interest hereon shall be payable on _____, 20___. Interest shall be computed on the basis of a year of 365 days and for the actual number of days elapsed during a month on any portion thereof.

The principal of and interest on this Bond are payable in any coin or currency which on the date of payment thereof 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, as Paying Agent.

The loan evidenced by this Bond shall be advanced to the Issuer as requested by the Issuer and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

This Bond is subject to prepayment of principal and interest to the date of prepayment in whole or in part at any time, at a prepayment price of 100% of the principal amount prepaid.

This Bond is issued to finance the costs of engineering design for certain additions, betterments and improvements (the "Project") for the combined waterworks and sewerage system of the Issuer (the "System") costs of issuance of the Bonds and preliminary costs of the Project. 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 20 of the West Virginia Code of 1931, as amended (the "Act"), and a Bonds Ordinance duly enacted by the Issuer on _____, 2002, as supplemented by a Supplemental Resolution duly adopted by the Issuer on _____, 2002 (collectively, the "Bonds Legislation"), and is subject to all the terms and conditions thereof.

The principal of and interest on this Bond are payable only from and secured by a first lien on the Gross Revenues (as defined in the Bonds Legislation) of the System, on a parity with the Issuer's (i) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1992A, dated May 1, 1992, originally issued in the aggregate principal amount of $1,925,000; and (ii) Combined Waterworks and Sewerage System Refunding Revenue Bonds, Series 1997, dated January 1, 1997, issued in the original aggregate principal amount of $20,600,000 (collectively herein called the "Prior Bonds"). Such Gross Revenues shall be applied, as necessary, to the prompt payment of the principal of and interest on this Bond, and the Prior Bonds on a parity and equal basis.

This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from the sources set forth above. Under the Bonds Legislation, the Issuer has entered into certain covenants with the Registered Owner, for the terms of which reference is made to said Bonds Legislation. Remedies provided the Registered Owner are exclusively as provided in the Bonds Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth below, this Bond is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Bond is transferable, as provided in the Bonds Legislation, only by transfer of registration upon the books of _____, _____, West Virginia, as registrar (the "Registrar"), to be made at the request of the Registered Owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney.

All moneys received from the sale of this Bond shall be applied solely to the payment of the costs of acquisition and installation of the Project and related costs described in the Bonds 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.

Under the Act, this Bond and the interest hereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

This Bond is hereby designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at 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 Bonds, together with all other obligations of the Issuer, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

All provisions of the Bonds Legislation and the 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.

This Bond shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

IN WITNESS WHEREOF, THE CITY OF WHEELING has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 2002.

[SEAL]

_____
Mayor

_____
City Manager

ATTEST:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2002 A Bonds described in and issued under the provisions of the within-mentioned Bonds Legislation and has been duly registered in the name of the registered owner set forth above.

Date: _____, 2002.

_____
as Registrar

By _____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(13)	$	
(2)	$		(14)	$	
(3)	$		(15)	$	
(4)	$		(16)	$	
(5)	$		(17)	$	
(6)	$		(18)	$	
(7)	$		(19)	$	
(8)	$		(20)	$	
(9)	$		(21)	$	
(10)	$		(22)	$	
(11)	$		(23)	$	
(12)	$		(24)	$	

TOTAL $

EXHIBIT B - PAYMENT SCHEDULE

Amount Financed: $_____

Payment Number	Payment Date	Payment	Interest Portion	Principal Portion
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within-mentioned Bond and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Bond on the books of the Registrar on behalf of said Issuer with full power of substitution in the premises.

Dated: _____.

_____

IN THE PRESENCE OF:

_____

Section 3.09. Sale of Bonds. The Bonds shall be sold to the Purchaser contemporaneously with, or as soon as practicable and authorized and permitted by applicable law after, adoption of the Supplemental Resolution; provided, that the Purchaser and the Issuer shall have agreed to the purchase thereof.

Section 3.10. Security for the Bonds. The principal of and interest on the Bonds shall be payable only from and secured by a lien on the Gross Revenues of the System, on a parity in all respects with the Prior Bonds.

Section 3.11. Bonds not to be Indebtedness of Issuer. The Bonds shall be special obligations of the Issuer, payable as to principal and interest solely from the sources described in Section 3.08 hereof. The Bonds do not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation. The general funds of the Issuer are not liable, and neither the full faith and credit nor the taxing power of the Issuer is pledged for the payment of the Bonds. The Holders of the Bonds shall never have the right to compel the forfeiture of any property of the Issuer. The Bonds shall not be a debt of the Issuer, nor a legal or equitable pledge, charge, lien or encumbrance upon any property of the Issuer or upon any of its income, receipts or revenues except as pledged therefor by this Ordinance.

Notwithstanding anything in this Ordinance, the Issuer shall not be required to advance any money derived from any source of income other than that pledged by this Ordinance for the payment of the principal of or interest on the Bonds or for the performance of any of its duties under this Ordinance. The Issuer may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the Issuer for such purpose without incurring indebtedness.

Section 3.12. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. The Issuer shall not issue any other obligations whatsoever, except additional parity Bonds or Bonds provided for in Section 3.11 hereof, 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 the Gross Revenues with the Bonds; and all obligations hereafter issued by the Issuer payable from the Revenues of the System, except such additional Bonds or 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 Bonds.

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, except with respect to such additional parity Bonds or Bonds, being on a parity with the lien of the Bonds or 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 Ordinance or upon the System or any part thereof.

Section 3.13. Additional Parity Bonds. No additional Parity Bonds, as in this section defined, payable out of the Revenues of the System shall be issued after the issuance of any Bonds pursuant to this Ordinance, except under the conditions and in the manner herein provided.

No such additional Parity Bonds shall be issued except for the purpose of financing the costs of the construction of additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

No such additional Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Clerk of the Issuer a written statement by Independent Accountants, reciting the conclusion that the Net Revenues actually derived, from the System during the Fiscal Year preceding the date of the actual issuance of such additional Parity Bonds, plus the increased annual Net Revenues expected to be received after the date of issuance of such Parity Bonds shall not be less than 115% of the Maximum Annual Debt Service on the following:

(1) The Bonds then Outstanding;

(2) Any additional Parity Bonds thereafter issued pursuant to the provisions contained in this Ordinance then Outstanding; and

(3) The additional Parity Bonds then proposed to be issued.

The "increased annual Net Revenues expected to be received," 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 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 additional Parity Bonds, and shall not exceed the amount to be stated in the aforementioned certificate of Independent Accountants, which shall be filed in the office of the Clerk of the Issuer prior to the issuance of such additional Parity Bonds. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

The term "additional Parity Bonds," as used in this section, shall be deemed to mean additional bonds issued under the provisions and within the limitations of this section, payable from the Gross Revenues of the System on a parity with the Bonds and all the covenants and other provisions of this Ordinance (except as to details of such additional Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds, and the Holders of any additional Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this

section. All the Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the 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 Ordinance required for and on account of such additional Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Ordinance.

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

No additional Parity Bonds, as in this section defined, shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Ordinance on account of the Bonds then Outstanding, if any (excluding the Depreciation Fund), and any other payments provided for in this Ordinance, shall have been made in full as required to the date of delivery of the additional Parity Bonds.

Notwithstanding the foregoing, the Issuer may issue additional Parity Bonds without compliance with any other conditions for the purpose of refunding prior to maturity any series of the Bonds or portion thereof, provided that the annual debt service required on account of the refunding Bonds and the Bonds which are not refunded shall not be greater in any year in which the Bonds not refunded and the refunding Bonds are to be Outstanding than the annual debt service required in such year if the Bonds to be refunded were not so refunded.

Section 3.14. Advances of Principal of Bonds. In the event the entire principal of the Bonds is not paid on the Closing Date, the Issuer may request from the Purchaser advances of proceeds of the Bonds as needed, in integral multiples of $1,000, to pay Costs of design the Project, and such proceeds shall be paid to the Issuer or its designated payee upon direction of the City Manager and only to pay costs authorized by this Ordinance. After payment of all such costs, any remaining Bonds proceeds shall be transferred to the Series 2002A Bonds Sinking Fund and applied to the payment of the Bonds, or if no Bonds are then Outstanding, may be used by the Issuer for any lawful purpose of the System.

Section 3.15. Arbitrage and Tax Exemption. 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 Bonds which would cause the 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 Bonds) so that the interest on the 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 3.16. 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 Bonds are private activity bonds; that 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 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 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 an applicable to the Bonds. For purposes of the first paragraph 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 first paragraph of 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 first paragraph of 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 benefitting thereby shall be treated as one issuer.

Section 3.17. 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) 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 System, or if the Bonds are for the purpose of financing more than one project, a portion of the System, and shall not exceed the proceeds used for the governmental use of that portion of the System to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the 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 Bonds to be directly or indirectly "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

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 all actions that may be required of it so that the interest on the 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 3.18. Designation of Bonds as "Qualified Tax-Exempt Obligations". The Issuer hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2002, all as determined in accordance with the Code.

ARTICLE IV

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF; APPLICATION OF BOND PROCEEDS

Section 4.01. 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) Depreciation Fund (established by the Prior Ordinance);

(3) Operation and Maintenance Fund (established by the Prior Ordinance.)

(4) Rebate Fund (established by the Prior Ordinance); and

(5) Series 2002 A Bonds Proceeds Fund.

Section 4.02. 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 or otherwise) 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) Prior Bonds Sinking Fund (established by the Prior Ordinance);

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

(3) Within the Prior Bonds Sinking Fund, the Prior Bonds Redemption Account (established by the Prior Ordinance); and

(4) Series 2002 A Bonds Sinking Fund; and

(5) Within the Series 2002 A Bonds Sinking Fund, the Series 2002 A Bonds Reserve Account.

Section 4.03. 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, each month, pay from the moneys in the Revenue Fund all deposits required by the Prior Ordinance to be made into the Prior Bonds Sinking Fund and the Prior Bonds Reserve Account.

(2) The Issuer shall, concurrently with the transfers set forth in the previous paragraph, on the first day of each month, commencing 6 months prior to the first date of payment of principal of and interest on the Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2002 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of principal and interest which will become due on the Series 2002 A Bonds on the next ensuing semiannual installment payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2002 A Bonds Sinking Fund and the next semiannual installment payment date is less than 6 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next semiannual installment payment date, the required amount of principal and interest coming due on such date.

(3) The Issuer shall next, on the first day of each month, commencing 6 months prior to the first date of payment of principal and interest on the Bonds, if not fully funded upon issuance of the Series 2002 A Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2002 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2002 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2002 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 2002 A Bonds Reserve Account Requirement.

(4) The Issuer shall next, each month, from the moneys remaining in the Revenue Fund, transfer from the Revenue Fund an amount sufficient to pay current Operating Expenses of the System.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Depreciation Fund (as previously set forth in the Prior Ordinance and not in addition thereto), an amount equal to 5% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account.

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 4.03 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.

Moneys in the Series 2002 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2002 Bonds as the same shall become due, when other moneys in the Series 2002 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2002 A Bonds Sinking Fund and the Series 2002 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2002 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 2002 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2002 A Bonds Reserve Account which result in a reduction in the balance of the Series 2002 A Bonds Reserve Account to below the Series 2001 Bonds Reserve Requirement shall be subsequently restored from the first Revenues available after all required payments have been made in full in the priority as set forth above.

The Issuer shall not be required to make any further payments into the Series 2002 A Bonds Sinking Fund or the Series 2002 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2002 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and Series 2002 A Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2002 A Bonds Sinking Fund and the Series 2002 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

The Series 2002 A Bonds Sinking Fund and the Series 2002 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2002 A Bonds under the conditions and restrictions set forth herein.

Section 4.04. Application of Bonds Proceeds. The moneys derived from the sale of the Bonds shall be deposited as received with the Depository Bank in the Bonds Proceeds Fund and applied solely to the payment of Costs of design of the Project and until so expended, are hereby pledged as additional security for the Bonds.

Pending application of the proceeds of the Bonds, any moneys held in the Bonds Proceeds Fund shall be invested and reinvested by the Depository Bank at the direction of the Issuer to the fullest extent possible under applicable laws, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof.

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.

ARTICLE V

DEFAULT AND REMEDIES

Section 5.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Bonds:

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds in this Ordinance, any Supplemental Resolution, or in the Bonds, as the case may be, contained, 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 Depository Bank, any other bank or banking association holding any fund or account hereunder or a Holder of a Bond; or

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

Section 5.02. Remedies. Upon the happening and continuance of any Event of Default, any Holder 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 the Holders of the Bonds including the right to require the Issuer to perform its duties under the Act and the Bonds Legislation relating thereto, (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 Holders of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bonds Legislation with respect to the Bonds, or the rights of the Holders of the Bonds; provided that, the rights of the Holders of the Bonds shall be junior and subordinate to the rights of the Holders of the Prior Bonds.

No remedy by the terms of this Ordinance conferred upon or reserved to the Holders of the Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Holders of the Bonds hereunder or now or hereafter existing at law or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver

of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder by the Holders of the Bonds shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereto.

ARTICLE VI

DEFEASANCE OF BONDS

Section 6.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bonds Ordinance, then with respect to such Bonds, the pledge of Gross Revenues and other moneys and securities pledged under this Bonds Ordinance and all covenants, agreements and other obligations of the Issuer to the Holders of such Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Amendment or Modification of Ordinance. Prior to issuance of the Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Bonds, no material modification or amendment of this Ordinance, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Bondholders shall be made without the consent in writing of the Holders of the Bonds 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 Holder thereof. Notwithstanding the foregoing, this Ordinance may be amended without the consent of the 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 exclusion of interest on the Bonds from gross income of the Bondholder.

Section 7.02. Ordinance Constitutes Contract. The provisions of the Ordinance shall constitute a contract between the Issuer and the Holders of the Bonds, and no change, variation or alteration of any kind of the provisions of the Ordinance shall be made in any manner, except as in this Ordinance provided.

Section 7.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Bonds.

Section 7.04. 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 7.05. Conflicting Provisions Repealed. All ordinances, resolutions, indentures or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, provided however, that all provisions of the Prior Ordinance shall remain in full force and effect, as applicable, until the Prior Bonds and all interest accrued thereon are paid in full.

Section 7.06. 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 and passage 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 Council 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 7.07. Effective Date. This Ordinance shall be effective following the public hearing and final reading hereof.

Section 7.08. Procedure on Enactment of Ordinance; Public Hearing. Upon adoption of this Ordinance, the City Clerk is hereby authorized and directed to have an abstract of this Ordinance, which abstract has been determined by the Council of the Issuer to contain sufficient information to give notice of the contents of such Ordinance, published once each week for 2 successive weeks, with not less than six full days between each publication, the first such publication to be not less than 10 days before the date stated below for the public hearing, in The Intelligencer, a qualified newspaper published and having a general circulation in the City of Wheeling, together with a notice to all persons concerned, stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds described in this Ordinance and that any person interested may appear before the Council at the public hearing to be had at a public meeting of Council on March 5, 2002, at 7:30 p.m., in the meeting room of the Council in the City Hall of the City of Wheeling and present protests, and that a certified copy of this Ordinance is on file with the City Clerk for review by interested parties during the office hours of the City Clerk. At such hearing all protests and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises.

Passed on First Reading: February 5, 2002

Passed on Second Reading: February 19, 2002

Passed on Final Reading following Public Hearing: March 5, 2002

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AND CORRECT AS TO FORM:

By
City Attorney

CERTIFICATION

Certified a true, correct and complete copy of an Ordinance duly enacted by the City Council of the CITY OF WHEELING at a regular meeting of the City Council held at 7:30 p.m., on March 5, 2002, pursuant to proper notice, at which meeting a quorum was present and acting throughout, and which Ordinance was enacted following a public hearing thereon, notice of which public hearing was published once a week for two successive weeks in a qualified newspaper having a general circulation in The City of Wheeling, the first publication having been not less than 10 days prior to such public hearing.

Dated this February 23, 2003.

[SEAL]

Janice L. Jones
City Clerk

1/16/03
964250/00010

CITY OF WHEELING

Combined Waterworks and Sewerage System Design Revenue Bonds,
Series 2003 A

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2003 A, OF THE CITY OF WHEELING; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS TO THE PURCHASER THEREOF; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City of Wheeling (the "Issuer") in the County of Ohio, State of West Virginia, is a municipal corporation and political subdivision of said State, the governing body of which is its City Council (the "Governing Body");

WHEREAS, the Governing Body has duly and officially enacted on March 5, 2002, an Ordinance (the "Ordinance") entitled:

ORDINANCE AUTHORIZING THE DESIGN AND PRELIMINARY ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF WHEELING; THE ISSUANCE BY THE CITY OF NOT MORE THAN $1,940,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 2002 A, FOR THE PURPOSES OF FINANCING THE COSTS OF SUCH DESIGN AND PRELIMINARY COSTS; 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; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ENACTING OTHER PROVISIONS WITH RESPECT THERETO.

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

WHEREAS, the Ordinance provides for the issuance by the Issuer of its Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2002 A, in an aggregate principal amount not to exceed $1,940,000, all in accordance with Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act");

WHEREAS, in the Ordinance, it is provided that the exact principal amount, date, maturity date, interest rate or rates, interest and principal payment dates and other terms of the Bonds should be established by a supplemental resolution and that other matters relating to the Bonds be provided for therein;

WHEREAS, the Bonds are proposed to be purchased by Progressive Bank, N.A., Wheeling, West Virginia (the "Purchaser"), pursuant to a commitment letter dated January 25, 2002;

WHEREAS, the Bonds are to be issued in calendar year 2003, and therefore, the Issuer desires to change the Series designation thereof set forth in the Ordinance from "Series 2002 A" to "Series 2003 A";

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the principal amount, dates, maturity date, interest rate or rates, interest and principal payment dates and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHEELING:

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted, and there are hereby authorized and ordered to be issued the Combined Waterworks and Sewerage System Design Revenue Bonds, of the Issuer, initially represented by a single Bond, numbered AR-1, the series designation of the Bonds to be changed from Series 2002 A to Series 2003 A.

Section 2. The Bonds shall be in the principal amount of $1,940,000, shall be dated the date of delivery thereof (expected to be January 23, 2003) and shall finally mature on July 1, 2013. Interest only on the Bonds (or on the principal portion thereof advanced to such date) shall be payable on July 1, 2003. Thereafter, principal of and interest on the Bonds shall be payable semiannually on January 1 and July 1 of each year, commencing January 1, 2004. Interest on the Bonds shall be payable at the rate of 4.62% per annum (the "Tax-Exempt Rate"), provided that, in the event that the interest on the Bonds is determined to be subject to federal income taxation by the Internal Revenue Service, such interest shall be at the rate of 7.00% per annum from the date of such determination of taxability. The Bonds shall be subject to prepayment of principal and interest accrued to the date of prepayment, in whole or in part at any time, without penalty.

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

Section 4. The Bonds shall be sold to the Purchaser and shall be registered in the name of the Purchaser. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 5. The Mayor, the City Manager and the City Clerk are hereby authorized and directed to execute and deliver the Bonds and such other documents and certificates required or desirable in connection with the Bonds hereby and by the Ordinance approved and provided for, to the end that the Bonds may be delivered to the Purchaser thereof on or about January 23, 2003.

Section 6. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia, as the Paying Agent for the Bonds.

Section 7. The Issuer hereby appoints and designates Progressive Bank, N.A., Wheeling, West Virginia, as the Registrar and Branch Banking & Trust Co., Wheeling, West Virginia, as the Depository Bank.

Section 8. The Issuer hereby designates the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under

Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or are reasonably anticipated to be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2003.

Section 9. The Issuer hereby authorizes and requests from the Purchaser the first advance of principal of the Bonds, in the amount of $142,000, to pay amounts due and owing to the Consulting Engineers and costs of issuance of the Bonds. Future advances of principal of the Bonds to pay authorized costs shall be made only upon adoption of a resolution of the Governing Body authorizing each such advance, and such resolution shall be presented to the Purchaser.

Section 10. The issuance of the Bonds and the design of the Project with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 11. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this January 21, 2003.

[SEAL]

Mayor

City Manager

ATTEST:

City Clerk

APPROVED AND CORRECT AS TO FORM:

By: City Attorney

CL753083.6

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Wheeling at a regular meeting of the City Council held at 7:30 p.m. on January 21, 2003, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated: January 23, 2003.

[SEAL]

By: _____
City Clerk

01/21/03
964250/00010

Progressive Bank

April 26, 2005

City of Wheeling
Combined Waterworks
And Sewerage System Revenue Bonds
Series 2005 A
(West Virginia SRF Program)

To Whom It May Concern:

In reliance upon the certificate of the certified public accountant for the City of Wheeling attached hereto, the undersigned duly authorized representative for Progressive Bank, N. A., Wheeling, West Virginia, the registered owner of the entire outstanding aggregate principal amount of the Combined Waterworks and Sewerage System Design Revenue Bonds, Series 2003 A (the "Series 2003 A Bonds"), of the City of Wheeling (the "Issuer"), hereby consents to the issuance of the Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program), in the original aggregate principal amount of $14,500,000 (the "Bonds"), by the Issuer, under the terms of the resolution authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Series 2003 A Bonds.

Progressive Bank, N. A.

By: Donald W Dell
Its: Senior Vice President

Form N87-2M Ed. 6/83

No. 31-3-70444

MEMORANDUM OF INSURANCE

Standard Fire Insurance Policy for Alabama, Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

Insured's Name and Mailing Address
City Of Wheeling
(See Form For Locations Covered)

08/09/2004 Inception (Mo. Day Yr.) | 08/09/2005 Expiration (Mo. Day Yr.) | 1 Years

INSURANCE IS PROVIDED AGAINST ONLY THOSE PERILS AND FOR ONLY THOSE COVERAGES INDICATED BELOW BY A PREMIUM CHARGE AND AGAINST OTHER PERILS AND FOR OTHER COVERAGES ONLY WHEN ENDORSED HEREON OR ADDED HERETO.

AMOUNT	RATE FOR FIRE, LIGHTNING AND OTHER PERILS INSURED AGAINST		PREPAID TERM PREMIUM DUE AT INCEPTION	ANNUAL PAYMENT DUE UNDER ANNUAL PREM. PAYMENT PLAN	COVERAGES
	PREPAID	APPP ANNUAL			
$25,000,000	$Various	$	$As Invoiced	$	All Risk Property Policy
TOTAL DUE AT INCEPTION			$ As Invoiced	$	

CALCULATION OF PREMIUM: If this Policy is issued for a period in excess of one year and a premium is payable at each anniversary, such premium shall be determined annually on the basis of the rates in effect at the anniversary date.

Agent at Hartford, Connecticut
THE MEMBER COMPANIES OF
INDUSTRIAL RISK INSURERS
BY: _____
ATTORNEY-IN-FACT AND CHIEF UNDERWRITING OFFICER

Countersignature Date August 15, 2004

IN CONSIDERATION OF THE PROVISIONS AND STIPULATIONS THEREIN OR ADDED THERETO AND OF the premium above specified, these Companies, for the term of *years specified above from inception date shown above* At Noon (Standard Time) to *expiration date shown above* At Noon (Standard Time) at location of property involved, to an amount not exceeding the amount(s) above specified, do insure the *insured named above* and legal representatives, to the extent of the actual cash value of the property at the time of loss, but not exceeding the amount which it would cost to repair or replace the property with material of like kind and quality within a reasonable time after such loss, without allowance for any increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair, and without compensation for loss resulting from interruption of business or manufacture, nor in any event for more than the interest of the insured, against all **DIRECT LOSS BY FIRE, LIGHTNING AND BY REMOVAL FROM PREMISES ENDANGERED BY THE PERILS INSURED AGAINST IN THIS POLICY, EXCEPT AS THEREINAFTER PROVIDED,** to the property described thereinafter while located or contained as described in this policy, or pro rata for five days at each proper place to which any of the property shall necessarily be removed for preservation from the perils insured against in this policy, but not elsewhere.
Assignment of the policy shall not be valid except with the written consent of these Companies.

Companies Representation.

(a) Any notice, sworn statement or proof of loss which may be required by the provisions of the policy may be given to any one of the Companies, and such notice, statement or proof of loss so given shall be valid and binding as to all Companies.

(b) In any action or suit against the Companies, service of process may be made on any one of them, and such service shall be deemed valid and binding service on all Companies.

(c) The Industrial Risk Insurers is the agent of the Companies with respect to all matters pertaining to this insurance. All notices or other communications required by the policy to be given to the Companies may be given to such agent, at its office at 85 Woodland Street, Hartford, Connecticut, with the same force and effect as if given directly to the Companies. Any requests, demands or agreements made by and any cancellation notice issued by such agent shall be deemed to have been made or issued directly by the Companies.

Conformity to Statute. Any provision or stipulation of the policy which is in conflict with the statutes of the state(s) wherein the property covered thereunder is located is thereby amended to conform to such statutes.

This memorandum is for information only; it is not a contract of insurance but attests that a policy as numbered herein, and as it stands at the date of this certificate, has been issued by the Companies. Said policy is subject to change by endorsement and to assignment and cancellation in accordance with its terms.

This CERTIFIES, that policy numbered as above has been issued.

FILE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

JUL 30 2003

CERTIFIED MAIL

Mr. Robert Herron
City Manager
City of Wheeling
1500 Chapline Street
Wheeling, WV 26003

RECEIVED
AUG 06 2003
WVDEP
CONSTRUCTION ASSISTANCE PROGRAMS

Re: XP-983854-01-0

Dear Mr. Herron:

The Agency has approved an assistance application and award of $2,425,000 in support of the project entitled City of Wheeling Wastewater Treatment Plant and 18th Street Sewer Improvements.

This award is made subject to the terms and conditions of the enclosed assistance agreement. Three originals of the assistance agreement are enclosed. Please sign all of them. Return one to Ms. Kathleen M. Blinebury, Grants Management Officer, Grants and Audit Management Branch (3PM70), within twenty-one days of your receipt. The West Virginia Department of Environmental Protection is assisting with the management of this project. Mail one to Ms. Rosalie Brodersen, Program Manager, West Virginia Department of Environmental Protection, State Revolving Fund Program, 1560 Kanawha Boulevard, East, Charleston, WV 25311 and retain one for your organization.

A Region III website is available to provide you with a better understanding of the requirements associated with your assistance agreement and with information that will help you to manage your grant. The website can be found at: **www.epa.gov/region3/grants/index.htm.**

Your contact at EPA is Mr. Bruce A. Smith. You can reach Mr. Smith at 215-814-5770.

Sincerely,

Marie Louise Nicholas for

James W. Newsom
Assistant Regional Administrator
for Policy and Management

Enclosures

cc: Rosalie Brodersen, WVDEP

U.S. ENVIRONMENTAL PROTECTION AGENCY

Grant Agreement

ASSISTANCE ID NO.			DATE OF AWARD
PRG	DOC ID	AMEND#	JUL 23 2003
XP -	98385401	- 0	
TYPE OF ACTION: New			MAILING DATE: JUL 30 2003
PAYMENT METHOD: Reimbursement			ACH#

RECIPIENT TYPE:
Municipal

RECIPIENT:
City of Wheeling
1500 Chapline St
Wheeling, WV 26003
EIN: 55-6000271

Send Payment Request to:
West Virginia Department of Environmental Protection

PAYEE:
City of Wheeling
1500 Chapline St
Wheeling, WV 26003

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
Robert Herron 1500 Chapline St Wheeling, WV 26003 E-Mail: Phone: 304-234-3617	BruceA Smith 1650 Arch Street, 3WP21 Philadelphia, PA 19103-2029 E-Mail: Smith.BruceA@epa.gov Phone: 215-814-5770	Kathleen Blinebury Grants and Audit Management Branch, 3PM70 E-Mail: Blinebury.Kathleen@epa.gov Phone: 215-814-5396

PROJECT TITLE AND DESCRIPTION
Special Appropriations Project
This grant is for the upgrade of the existing wastewater treatment plant to include a new ultraviolet disinfection system, new bar screens, a new centrifuge sludge dewatering system, rehabilitation of the anerobic digesters, and replacement of a combined sewer on 16th Street and Alley E with a separate sewer system in Wheeling, WV.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
03/01/2003 - 12/31/2005	03/01/2003 - 12/31/2005	$4,409,091.00	$4,409,091.00

NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the City of Wheeling for 55.00 % of all approved costs incurred up to and not exceeding $2,425,000 for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed 05/16/2003 included herein by reference.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	ORGANIZATION / ADDRESS
US EPA Region 3, 3PM70 1650 Arch Street Philadelphia, PA 19103-2029	U.S. EPA, Region 3 Water Protection Division 3WP00 1650 Arch Street Philadelphia, PA 19103-2029

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
	James W. Newsom, ARA for Policy and Management	JUL 23 2003

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
	ROBERT HERRON CITY MANAGER	8-5-03

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$	$ 2,425,000	$ 2,425,000
EPA In-Kind Amount	$	$	$ 0
Unexpended Prior Year Balance	$	$	$ 0
Other Federal Funds	$	$ 1,984,091	$ 1,984,091
Recipient Contribution	$	$	$ 0
State Contribution	$	$	$ 0
Local Contribution	$	$	$ 0
Other Contribution	$	$	$ 0
Allowable Project Cost	$ 0	$ 4,409,091	$ 4,409,091

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.606 - Surveys - Studies - Investigations and Special Purpose Grants	Appropriations Act of 2002 (PL 107-73)	40 CFR PART 31

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
	LL0132	2003	E4C	0300QCQ	203018	4183			2,425,000
									2,425,000

City of Wheeling

Table B - Program Element Classification (Non-construction)	Total Approved Allowable Budget Period Cost
1. Construction	$4,280,750
2. Contingencies	$128,341
3.	$
4.	$
5.	$
6.	$
7.	$
8.	$
9.	$
10.	$
11. Total (Share: Recip 45.00 % Fed 55.00 %)	$4,409,091
12. Total Approved Assistance Amount	$2,425,000

CLOSING MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **May 3, 2005**

Re: **City of Wheeling/Combined Waterworks and Sewerage System Revenue Bonds, Series 2005 A (West Virginia SRF Program)**

1. DISBURSEMENTS TO THE CITY OF WHEELING

Payor:	West Virginia Department of Environmental Protection
Amount:	$2,100,722
Form:	Check
Payee:	City of Wheeling
Contact:	Rosalie Brodersen - 304.558.0637
Account:	Series 2005 A Bonds Construction Trust Fund

TOTAL: $2,100,722.00 DATE: 04/28/05

TRANSACTION ID	INVOICE NUMBER &	PAYEE REFERENCE	PURCHASE ORDER	AMOUNT
I006871607	1/050305, C544351			$2,100,722.00

If you have questions concerning the above, please call 304-926-0499 Ext. 1581

REMOVE DOCUMENT ALONG THIS PERFORATION

TL# 16528215

THIS WARRANT HAS MULTIPLE SECURITY FEATURES TO DETER FRAUD AND COUNTERFEITING
VOID UNLESS PRESENTED FOR PAYMENT WITHIN SIX MONTHS

State of West Virginia

Important remittance information on top panel
Remitter: ENVIRONMENTAL PROTECTION
Questions? Contact: MARK DOYLE at 304-926-0499

STATE WARRANT # 1000188946

APRIL 28 2005

PAYEE CITY OF WHEELING

********$2,100,722.00**

1000188946

John D Perdue
STATE TREASURER

Glen B Gainer III
AUDITOR

WEST VIRGINIA TREASURY

⑈1000188946⑈ ⑆051902322⑆ 527053782 2⑈

Rev. 10/01/04

PAYMENT REQUISITION FORM

1. LOAN RECIPIENT/VENDOR:

NAME: City of Wheeling

ADDRESS 1500 Chapline Street

Wheeling, West Virginia 26003

PHONE: (304) 234-3617

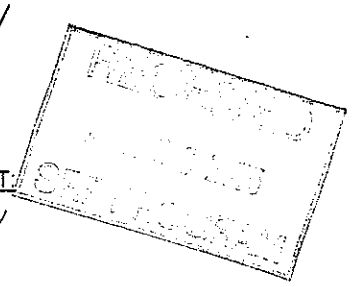
FEIN: 55-6000271

2. SRF PROJECT C-544351

3. INVOICE NUMBER: One (1)

4. PERIOD COVERED BY THIS REQUEST:
FROM (MO/DAY/YR) TO (MO/DAY/YR)
12/1/2002 5/3/2005

5. PERCENTAGE OF PHYSICAL CONSTRUCTION COMPLETION 0%



CLASSIFICATION	A) APPROVED BUDGET	B) PREVIOUS APPROVED TOTALS	C) THIS REQUEST	D) TOTAL COLUMNS B & C	E) AGENCY USE ONLY
1) CONSTRUCTION	11,568,708	0	1,009,009.00	1,009,009.00	1,009,009
a. Equipment					
2) TECHNICAL SVC					
a. Basic	1,945,607		1,016,266.90	1,016,266.90	1,016,266
b. Engineering (Other)					
c. Inspection					
3) PLANNING					
4) DESIGN COSTS					
5) LEGAL/FISCAL	90,000		15,447.65	15,447.65	15,447
6) ADMINISTRATIVE	56,000				
7) LOAN REPAYMENT					
8) CONTINGENCY	699,685				
9) INT FINANCE COST	80,000				
10) RESERVE FUND					
11) CLOSING COST	60,000		60,000	60,000	60,000
12) SUBTOTAL	14,500,000	0	2,100,722.55	2,100,722.55	2,100,722
13) LESS PREVIOUSLY PAID					0
14) INVOICE AMOUNT					2,100,722.55

15) Robert Herron
RECIPIENT AUTHORIZED SIGNATURE
DATE: 25-Apr-05
Robert Herron, City Manager
TYPED OR PRINTED NAME AND TITLE

16) John C. Stump
PERSON PREPARING FORM SIGNATURE
DATE: 4.26.05
John C. Stump, Esquire
TYPED OR PRINTED NAME AND TITLE

AGENCY USE ONLY:

THIS REQUEST APPROVED BY: WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION

John Rogers 4/27/05
PROJECT REVIEWER DATE

R Broderick 4/27/05
AUTHORIZED OFFICER DATE

ACCOUNTING CLASSIFICATION - DEP USE ONLY

ACCOUNTING NUMBER:	AMOUNT APPROVED:
350-15 -0- 350-1 083 350-2 128	350,821 1,749,901

RF - 91