WILDERNESS PUBLIC SERVICE DISTRICT
(WEST VIRGINIA DWTRF PROGRAM)
2012W-1375

WATER REVENUE BONDS, SERIES 2015 A
$1,905,856

WATER REVENUE BONDS, SERIES 2015 B
$464,715

Date of Closing: August 12, 2015

JACKSONKELLY SM
ATTORNEYS AT LAW PLLC

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)
AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

Closing Date: August 12, 2015

TRANSCRIPT OF PROCEEDINGS

DOCUMENT NO.	DESCRIPTION	INDEX NO.
	I. Organizational Documents	
1.1	Certified copies of Chapter 16, Article 13A and Chapter 16, Article 13C of the Code of West Virginia, 1931, as amended.	1
1.2	County Commission Orders on Creation and Expansion of District.	2
1.3	County Commission Orders Appointing Current Boardmembers.	3
1.4	Oaths of Office of Current Boardmembers.	4
1.5	Minutes of Current Year Organizational Meeting.	5
1.6	Rules of Procedure.	6
	II. Authorizing Documents	
2.1	Public Service Commission Order.	7
2.2	Infrastructure Council Approval.	8
2.3	Bureau of Public Health Binding Commitment.	9
2.4	Loan Agreement.	10
2.5	Bond Resolution.	11
2.6	Supplemental Resolution.	12
2.7	Minutes on Adoption of the Bond Resolution and Supplemental Resolution.	13

4846-9426-7941.v1

2.8	Affidavit of Publication regarding Notice of Meeting to Adopt Bond Resolution and Supplemental Resolution.	14
2.9	(a) Series 2015 A Specimen Bond. (b) Series 2015 B Specimen Bond.	15
2.10	(a) Series 2015 A Bond Register. (b) Series 2015 B Bond Register.	16
2.11	WDA Consent to Issuance of Parity Bonds.	17
2.12	USDA Consent to Issuance of Parity Bonds.	18
2.13	Prior Bond Resolutions.	19
	III. Certificates, Receipts and Other Documents	
3.1	General Certificate.	20
3.2	Certificate as to Use of Proceeds.	21
3.3	Certificate of Consulting Engineer, with Schedule B attached.	22
3.4	Certificate of Accountant.	23
3.5	Receipt for Bonds.	24
3.6	Receipt for Bond Proceeds.	25
3.7	Request and Authorization to Authenticate and Deliver the Bonds.	26
3.8	Registrar's Agreement.	27
3.9	Certificate of Registration of Bonds.	28
3.10	Acceptance of Appointment As Depository Bank.	29
3.11	(a) Series 2015 A MBC New Issue Report Form. (b) Series 2015 B MBC New Issue Report Form.	30
3.12	Environmental Health Permit.	31
3.13	Evidence of Insurance.	32

3.14	(a) Evidence of IJDC Grant. (b) Evidence of AML Grant	33
3.15	Sweep Resolution.	34
3.16	First Draw Resolution	35
3.17	Closing Memorandum.	36

IV. Opinions

4.1	(a) Series 2015 A Opinion of Jackson Kelly PLLC, Bond Counsel (b) Series 2015 B Opinion of Jackson Kelly PLLC, Bond Counsel	37
4.2	Opinion of Counsel to Issuer.	38
4.3	Final Title Opinion.	39

State of West Virginia
WATER DEVELOPMENT AUTHORITY
1009 Bullitt Street, Charleston, WV 25301
(304)414-6500 – (304)414-0865 (Fax)
Internet: www.wvwda.org – Email: contact@wvwda.org

Date 8/11/15 Time _____ LGA Wilderness PSD Program DWTRF

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sheila Miller	WDA	304-414-6500	304-414-0865	smiller@wvwda.org
Mark E Kauffelt	Kauffelt & Kauffelt	304-345-1272	304-345-1280	MKAUFFELT@WVDSL.NET
Samme Lee	Jackson Kelly PLLC	304-340-1318	304-340-1272	slee@jacksonkelly.com

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

Name Wilderness PSD Telephone 304.872.1598 E-Mail debbie.gilbert@wildernesspsd.com

Address P.O. Box 37, Mount Nebo, WV 26679

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

State of West Virginia

Certificate

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

THIS IS A TRUE COPY OF CHAPTER 16, ARTICLE 13C OF THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on

August 10, 2015

Natalie E. Tennant

Secretary of State

ARTICLE 13C

DRINKING WATER TREATMENT REVOLVING FUND ACT

Section

16–13C–1. Definitions.
16–13C–2. Designation of division of health as state instrumentality; rules; small systems; disadvantaged communities.
16–13C–3. Drinking water treatment revolving fund; duties of division of health and water development authority; set-aside accounts.
16–13C–4. Management of funds.
16–13C–5. Remedies to enforce payment.
16–13C–6. Construction of article.

§ 16–13C–1. Definitions

Unless the context in which used clearly requires a different meaning, as used in this article:

(1) "Authority" means the water development authority provided for in section four, article one, chapter twenty-two-c of this code.

(2) "Capacity development" means the technical, managerial and financial capability of a public water system.

(3) "Cost" means the cost of all labor, materials, machinery, equipment, lands, property, rights and easements, plans and specifications, and all other expenses necessary or incident to the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of a project.

(4) "Disadvantaged community" means the service area of a public water system that meets affordability criteria established after public review and comment by the state.

(5) "Federal safe drinking water act" means the federal statute commonly known as the "Safe Drinking Water Act", 42 U.S.C. 300f et seq., as enacted, amended, and as may be subsequently amended.

(6) "Fund" means the West Virginia drinking water treatment revolving fund created in this article.

(7) "Instrumentality" means the division of health which has the primary responsibility for administering the fund and this article pursuant to requirements of the federal safe drinking water act.

(8) "Local entity" means any municipality, public utility, or person, including any individual, firm, partnership, association, not-for-profit corporation, or other corporation organized and existing under the laws of the state which may construct and operate an eligible project.

(9) "Public water system" means that term as defined in section nine-a, article one, chapter sixteen of the code.

(10) "Project" means a project for improving a drinking water system for the purpose of achieving or maintaining compliance with applicable state and federal drinking water regulations.

(11) "Set-aside accounts" means those accounts that shall be set up for activities required by the federal Safe Drinking Water Act and the moneys for these accounts may be taken from the federal capitalization grant for these nonproject activities before the capitalization grant is deposited into the fund.

(12) "Small system" means a public water system serving ten thousand or fewer persons.

Acts 1997, c. 225, eff. April 11, 1997; Acts 1998, c. 170, eff. 90 days after March 12, 1998.

Administrative Code References

Drinking water treatment revolving fund rules, see W. Va. Code St. R. § 64–49–1 et seq.

United States Code Annotated

Safety of public water systems, public health service, see 42 U.S.C.A. § 300g et seq.

§ 16–13C–2. Designation of division of health as state instrumentality; rules; small systems; disadvantaged communities

(a) The division of health shall act as the instrumentality that is hereby empowered to enter into capitalization agreements with the United States Environmental Protection Agency, to accept capitalization grant awards made under the federal safe drinking water act, and to direct the administration and management of the drinking water treatment revolving fund created in this article in accordance with the requirements of federal law.

(b) The division of health shall propose rules for legislative approval in accordance with provisions of article three, chapter twenty-nine-a of the code for the purpose of effecting the administration of the provisions of this article. The rules shall include, but are not limited to, establishing requirements for: (1) Capacity development; (2) environmental review; (3) disadvantaged community designation; (4) receipt and disbursement of fund moneys; and (5) establishment of a drinking water treatment revolving fund program to direct the financial management of the fund to water systems and establish the interest rates and repayment terms of the loans.

(c) Two percent of the annual federal capitalization grants made to this state shall be utilized to provide technical assistance services for small systems to assist those systems in maintaining compliance with the federal safe drinking water act. The division of health shall enter into contracts to provide technical assistance services for small systems with such nonprofit organizations that: (1) Have a membership that represent at least twenty-five percent of the small systems of this state; and (2) have at least five years experience in providing on-site technical assistance to small systems.

(d) The division of health shall, in accordance with the provisions of the federal safe drinking water act, establish a program for loan subsidies to disadvantaged communities. Thirty percent of the annual federal capitalization grants made to this state shall be dedicated to the funding of projects for disadvantaged communities.

Acts 1997, c. 225, eff. April 11, 1997.

Library References

States ⟹127.
Waters and Water Courses ⟹196.
Westlaw Topic Nos. 360, 405.

C.J.S. States §§ 386 to 387.
C.J.S. Waters §§ 483, 495 to 497, 588.

§ 16-13C-3. Drinking water treatment revolving fund; duties of division of health and water development authority; set-aside accounts

(a) There is continued in the office of the state treasurer a permanent and perpetual special fund to be known as the "West Virginia drinking water treatment revolving fund". The fund shall be administered and managed in accordance with the provisions of the federal Safe Drinking Water Act. The division of health may draw all or a portion of those moneys available under capitalization agreements and with the capitalization grant awards from the United States environmental protection agency under the federal Safe Drinking Water Act and to deposit such moneys into the fund and the set-aside accounts.

(b) The fund, less the set-aside account moneys, shall be administered and managed by the water development authority under the direction of the division of health. The fund shall be comprised of moneys appropriated to the fund by the Legislature, moneys allocated to the state by the federal government expressly for the purpose of establishing and maintaining a drinking water treatment revolving fund and set-aside accounts, all receipts from loans made from the fund, all income from the investment of moneys held in the fund, and all other sums designated for deposits to the fund from any source, public or private. Moneys in the fund shall be used solely to make loans or provide other allowable financial assistance to eligible projects for public water systems, as described in the federal Safe Drinking Water Act.

(c) In order to carry out the administration and management of the fund, the authority and the division of health are authorized to employ officers, employees, agents, advisors and consultants, including attorneys, financial advisors, engineers, other technical advisors and public accountants, and notwithstanding any provisions of this code to the contrary, to determine their duties and compensation without the approval of any other agency or instrumentality.

(d) The authority shall propose legislative rules for promulgation in accordance with the provisions of article three, chapter twenty-nine-a of this code to govern the pledge of loans to secure bonds of the authority.

(e) Disbursements from the fund shall be authorized for payment by the director of the authority or the director's designee. Moneys in the fund shall not be commingled with other money of the authority. If not needed for immediate use or disbursement, moneys in the fund may be invested or reinvested by the authority in obligations or securities which are considered lawful investments for public funds under this code.

(f) Pursuant to the provisions of the federal Safe Drinking Water Act, set-aside accounts shall be set up in accounts separate from the drinking water treatment revolving fund. These set-aside accounts shall include, but not be limited to, administration costs, source water protection, operator training and

certification, technical assistance to systems, local assistance, and other state activities permitted by the federal Safe Drinking Water Act. The division of health shall establish and administer the set-aside accounts as permitted by the federal Safe Drinking Water Act. An application fee may be charged and deposited into the administrative account to defray the cost of administering the program.

Acts 1997, c. 225, eff. April 11, 1997; Acts 1998, c. 170, eff. 90 days after March 12, 1998.

Library References

States ⟹127. C.J.S. States §§ 386 to 387.
Waters and Water Courses ⟹196. C.J.S. Waters §§ 483, 495 to 497, 588.
Westlaw Topic Nos. 360, 405.

§ 16-13C-4. Management of funds

The authority shall manage the funds received pursuant to the provisions of this article for accounting purposes. The authority shall cause an audit of its books and accounts to be made at least once each fiscal year and the cost thereof may be defrayed as administrative expense under provisions of this article. The audit shall be conducted by a certified public accountant and provide an auditor's opinion on the fund financial statements, a report on the internal controls and a report prepared in compliance with the provisions of the drinking water treatment revolving fund.

Acts 1997, c. 225, eff. April 11, 1997.

Library References

States ⟹127. C.J.S. States §§ 386 to 387.
Waters and Water Courses ⟹196. C.J.S. Waters §§ 483, 495 to 497, 588.
Westlaw Topic Nos. 360, 405.

§ 16-13C-5. Remedies to enforce payment

(a) In order to ensure the timely payment of all sums due and owing to the fund under a revolving fund loan agreement made between the state and a local entity, and notwithstanding any provisions of this code to the contrary, the authority has and may, at its option, exercise the following rights and remedies in the event of any default by a local entity under a loan agreement:

(1) The authority may directly impose, in its own name and for its own benefit, service charges upon all users of a project funded by a loan distributed to a local entity pursuant to this article, and may proceed directly to enforce and collect the service charges, together with all necessary costs of the enforcement and collection.

(2) The authority may exercise, in its own name or in the name of and as the agent for a particular local entity, all of the rights, powers and remedies of the local entity with respect to the project or which may be conferred upon the local entity by statute, rule, regulation or judicial decision, including all rights and remedies with respect to users of the project funded by the loan distributed to that local entity pursuant to this article.

(3) The authority may, by civil action, mandamus or other judicial or administrative proceeding, compel performance by a local entity of all the terms and conditions of the loan agreement between the state and that local entity including:

(A) The adjustment of service charges as required to repay the loan or otherwise satisfy the terms of the loan agreement;

(B) The enforcement and collection of service charges; and

(C) The enforcement by the local entity of all rights and remedies conferred by statute, rule, regulation or judicial decision.

(b) The rights and remedies enumerated in this article are in addition to rights and remedies conferred upon the authority by law or pursuant to the loan agreement.

Acts 1997, c. 225, eff. April 11, 1997.

Library References

States ⟹127.
Waters and Water Courses ⟹196.
Westlaw Topic Nos. 360, 405.

C.J.S. States §§ 386 to 387.
C.J.S. Waters §§ 483, 495 to 497, 588.

§ 16–13C–6. Construction of article

The provisions of this article shall be liberally construed to the end that its beneficial purposes may be effected. Insofar as the provisions of this article are inconsistent with the provisions of any other general, special or local law, the provisions of this article are controlling.

Acts 1997, c. 225, eff. April 11, 1997.

Library References

Statutes ⟹235.
Westlaw Topic No. 361.
C.J.S. Statutes § 376.

State of West Virginia

Certificate

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

THIS IS A TRUE COPY OF CHAPTER 16, ARTICLE 13A OF THE WEST VIRGINIA CODE, AND CHAPTER 16, ARTICLE 13A OF THE 2015 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on

August 10, 2015

Natalie E Tennant

Secretary of State

ARTICLE 13A

PUBLIC SERVICE DISTRICTS

Section

16–13A–1. Legislative findings.
16–13A–1a. Jurisdiction of the public service commission.
16–13A–1b. County commissions to develop plan to create, consolidate, merge, expand or dissolve public service districts.
16–13A–1c. General purpose of districts.
16–13A–2. Creation of districts by county commission; enlarging, reducing, merging, or dissolving district; consolidation; agreements, etc.; infringing upon powers of county commission; filing list of members and districts with the Secretary of State.
16–13A–3. District to be a public corporation and political subdivision; powers thereof; public service boards.
16–13A–3a. Removal of members of public service board.
16–13A–4. Board chairman; members' compensation; procedure; district name.
16–13A–5. General manager of board.
16–13A–6. Employees of board.
16–13A–7. Acquisition and operation of district properties.
16–13A–8. Acquisition and purchase of public service properties; right of eminent domain; extraterritorial powers.
16–13A–9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.
16–13A–9a. Limitations with respect to foreclosure.
16–13A–10. Budget.
16–13A–11. Accounts; audit.
16–13A–12. Disbursement of district funds.
16–13A–13. Revenue bonds.
16–13A–14. Items included in cost of properties.
16–13A–15. Bonds may be secured by trust indenture.
16–13A–16. Sinking fund for revenue bonds.
16–13A–17. Collection, etc., of revenues and enforcement of covenants; default; suit, etc., by bondholder or trustee to compel performance of duties; appointment and powers of receiver.
16–13A–18. Operating contracts.
16–13A–18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds.
16–13A–19. Statutory mortgage lien created; foreclosure thereof.
16–13A–20. Refunding revenue bonds.
16–13A–21. Complete authority of article; liberal construction; district to be public instrumentality; tax exemption.
16–13A–22. Validation of prior acts and proceedings of county courts for creation of districts, inclusion of additional territory, and appointment of members of district boards.
16–13A–23. Validation of acts and proceedings of public service boards.
16–13A–24. Acceptance of loans, grants or temporary advances.
16–13A–25. Borrowing and bond issuance; procedure.

§ 16–13A–1. Legislative findings

The Legislature of the state of West Virginia hereby determines and finds that the present system of public service districts within the state has provided a valuable service at a reasonable cost to persons who would otherwise have been

unable to obtain public utility services. To further this effort, and to insure that all areas of the state are benefiting from the availability of public service district utility services and to further correct areas with health hazards, the Legislature concludes that it is in the best interest of the public to implement better management of public service district resources by expanding the ability and the authority of the public service commission to assist public service districts by offering advice and assistance in operational, financial and regulatory affairs.

In addition to the expanded powers which shall be given to the public service commission, the Legislature also concludes that it is in the best interest of the public for each county commission to review current technology available and consider consolidating existing public service districts where it is feasible and will not result in the interference with existing bond instruments. Further, if such consolidation is not feasible, the Legislature finds that it is in the best interest of the public for each county commission to review current technology available and consider consolidating or centralizing the management of public service districts within its county or multi-county area to achieve efficiency of operations. The Legislature also finds that additional guidelines should be imposed on the creation of new public service districts and that county commissions shall dissolve inactive public service districts as hereinafter provided. The Legislature also finds that the public service commission shall promulgate rules and regulations to effectuate the expanded powers given to the commission relating to public service districts.

Acts 1953, c. 147; Acts 1980, c. 60; Acts 1986, c. 81.

Cross References

County courts, authority to make grants for water and sewer systems, see § 7–1–3t.

Administrative Code References

Sewer utilities regulations, see W. Va. Code St. R. § 150–5–1 et seq.

Library References

Counties ⟹18.
Municipal Corporations ⟹5, 6.
Public Utilities ⟹145.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

In general 2
Admissibility of evidence 8
Construction and application 3
Costs 9
Creation and enforcement of liens 7
Eminent domain powers 4
Property of public service district 5
Rates and charges for service 6
Validity 1

1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6,

§ 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5)

Statute authorizing creation of public service districts violates no provision of State Constitution, nor is it violative of Fourteenth Amendment to United States Constitution. Act 1953, c. 147; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4056; Municipal Corporations ⟹ 4

In statute authorizing creation of public service districts, provision for delinquent fixed rates and charges for services rendered to be lien on premises served was not unconstitutional as depriving owners of property without due process of law or as violating Fourteenth Amendment of United States Constitution or applicable provisions of State Constitution. Acts 1953, c. 147, § 1 et seq.; Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4416; Municipal Corporations ⟹ 408(1)

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional delegation of judicial functions to the County Court. Acts 1953, c. 147; Const. art. 8, § 24. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2355; Municipal Corporations ⟹ 4

2. In general

A public service district may be created for the purpose of furnishing water or sewer services, or both water and sewer services. Code, 16-13A-1. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⟹ 5

Creation and operation of water or sanitary districts or authorities by issuance of revenue bonds payable from revenues are authorized. Code, 16-13A-1 et seq. State ex rel. Appalachian Power Co. v. Gainer, 1965, 143 S.E.2d 351, 149 W.Va. 740. Health ⟹ 369; Waters And Water Courses ⟹ 183.5

A county court may use Federal Revenue Sharing Funds for ordinary and necessary maintenance and operating expenses for sewage disposal, sanitation, and pollution abatement, and ordinary and necessary capital expenditures authorized by law but may not use such funds for matching purposes under any other federal-aid program. 55 W.Va. Op.Atty.Gen. 116 (June 27, 1973) 1973 WL 159152.

3. Construction and application

A public service district is a public corporation and does not come within constitutional provision which in substance provides that all corporations shall be created by general laws and which is applicable to private corporations. Acts 1953, c. 147, § 1 et seq.; Const. art. 11, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 80(3)

4. Eminent domain powers

Where notice, hearing and order with respect to creation of public service district considered only the question of furnishing water, such district was created only for the purposes of furnishing water services, and had no power to condemn real estate for sewerage facilities. Code, 16-13A-1, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Eminent Domain ⟹ 32

Condemnation by public service district is not a taking of private property for private use in violation of applicable constitutional provision. Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Eminent Domain ⟹ 13

5. Property of public service district

Property of public service district is public property used for public purposes, and, under constitutional provision that public property shall be exempt from taxation, statute authorizing creation of public service districts and granting tax exemption was not violative of constitutional provision requiring that taxation be equal and uniform throughout state. Acts 1953, c. 147, § 1 et seq.; Const. art. 10, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Taxation ⟹ 2289

6. Rates and charges for service

Relief under Federal Securities Act of 1933 was not adequate or sufficient remedy for relief sought by corporations holding sewer revenue bonds of public service district in mandamus proceeding to compel district to establish and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariff reflecting such charges with Public Service Commission, and any relief afforded under provisions of federal statute could not supersede relief which could be granted in mandamus proceeding. Securities Act of 1933, § 1 et seq., 15 U.S.C.A. § 77a et seq.; Code, 16-13A-1 et seq. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 3(8)

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operation-

al and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

It was ministerial duty of chairman of public service board of public service district to sign revenue bonds and to assist in effectuating their issuance, and in view of constitutionality of statute authorizing creation of the public service board, relator's showing of legal right to require performance of such duty, was sufficient and writ of mandamus would issue. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⟹ 103

7. Creation and enforcement of liens

Public service district's failure to docket notice of lien prior to date purchaser recorded deed of trust prevented district from enforcing sewer lien against purchaser. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Municipal Corporations ⟹ 712(7)

Public service district liens must be docketed to be enforceable against purchaser of property for valuable consideration, without notice. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Gas ⟹ 14.6; Municipal Corporations ⟹ 712(7); Waters And Water Courses ⟹ 203(14)

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

8. Admissibility of evidence

Extrinsic evidence relating to background and negotiations with regard to forming a public service district were not admissible in regard to construction of a contract for furnishing of water, where contract language was clear and unambiguous that district was to furnish water as customer should require. Berkeley County Public Service Dist. v. Vitro Corp. of America, 1968, 162 S.E.2d 189, 152 W.Va. 252. Evidence ⟹ 448

9. Costs

Costs of proceeding whereby constitutionality of statute authorizing creation of public service districts was tested would not be taxed against defendant who was chairman of public service board and who, honestly and in good faith, though mistakenly, endeavored to perform his duty in refusing to sign revenue bonds, and each litigant would pay his own costs. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⟹ 190

§ 16–13A–1a. Jurisdiction of the public service commission

The jurisdiction of the public service commission relating to public service districts shall be expanded to include the following powers and such powers shall be in addition to all other powers of the public service commission set forth in this code:

(a) To study, modify, approve, deny or amend the plans created under section one-b of this article for consolidation or merger of public service districts and their facilities, personnel or administration;

(b) To petition the appropriate circuit court for the removal of a public service district board member or members; and

(c) To create by general order a separate division within the public service commission to provide assistance to public service districts in technological, operational, financial and regulatory matters.

Acts 1986, c. 81.

Library References

Public Utilities ⟹145. Westlaw Topic No. 317A.

C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

In general 1

1. In general

Statute clearly and unambiguously gives Public Service Commission (PSC) power to reduce or increase utility rates whenever it finds that existing rate is unjust, unreasonable, insufficient, or unjustly discriminatory or otherwise in violation of any provision of legislation governing Commission. Code, 24-1-1 et seq., 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⟹ 123

Legislature sought to establish in Public Service Commission (PSC) governmental entity which would protect public from unfair rates and practices by public utilities and also ensure that public utilities are given competitive return for their stockholders. Code, 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⟹ 123; Public Utilities ⟹ 129

§ 16-13A-1b. County commissions to develop plan to create, consolidate, merge, expand or dissolve public service districts

Each county commission shall conduct a study of all public service districts which have their principal offices within its county and shall develop a plan relating to the creation, consolidation, merger, expansion or dissolution of such districts or the consolidation or merger of management and administrative services and personnel and shall present such plan to the public service commission for approval, disapproval, or modification: Provided, That within ninety days of the effective date of this section each county commission in this state shall elect either to perform its own study or request that the public service commission perform such study. Each county commission electing to perform its own study has one year from the date of election to present such plan to the public service commission. For each county wherein the county commission elects not to perform its own study, the public service commission shall conduct a study of such county. The public service commission shall establish a schedule for such studies upon a priority basis, with those counties perceived to have the greatest need of creation or consolidation of public service districts receiving the highest priority. In establishing the priority schedule, and in the performance of each study, the bureau of public health and the division of environmental protection shall offer their assistance and cooperation to the public service commission. Upon completion by the public service commission of each study, it shall be submitted to the appropriate county commission for review and comment. Each county commission has six months in which to review the study conducted by the public service commission, suggest changes or modifications thereof, and present such plan to the public service commission. All county plans, whether conducted by the county commission itself or submitted as a result of a public service commission study, shall, by order, be approved, disapproved or modified by the public service commission in accordance with rules promulgated by the public service commission and such order shall be implemented by the county commission.

Acts 1986, c. 81; Acts 1994, c. 61.

Cross References

Public Service Commission, participation in studies, see § 24-1-1b.

Library References

Counties ⟹18, 47.
Westlaw Topic No. 104.
C.J.S. Counties §§ 31, 70 to 73.

§ 16-13A-1c. General purpose of districts

Any territory constituting the whole or any part of one or more counties in the state so situated that the construction or acquisition by purchase or otherwise and the maintenance, operation, improvement and extension of properties supplying water, sewerage or stormwater services or gas distribution services or all of these within such territory, will be conducive to the preservation of the public health, comfort and convenience of such area, may be constituted a public service district under and in the manner provided by this article. The words "public service properties," when used in this article, shall mean and include any facility used or to be used for or in connection with: (1) The diversion, development, pumping, impounding, treatment, storage, distribution or furnishing of water to or for the public for industrial, public, private or other uses (herein sometimes referred to as "water facilities"); (2) the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (herein sometimes referred to as "sewer facilities" or "landfills"); (3) the distribution or the furnishing of natural gas to the public for industrial, public, private or other uses (herein sometimes referred to as "gas utilities or gas system"); or (4) the collection, control or disposal of stormwater (herein sometimes referred to as "stormwater system" or "stormwater systems"), or (5) the management, operation, maintenance and control of stormwater and stormwater systems (herein sometimes referred to as "stormwater management program" or "stormwater management programs"). As used in this article "stormwater system" or "stormwater systems" means a stormwater system in its entirety or any integral part thereof used to collect, control or dispose of stormwater, and includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet including, but not limited to, any and all of the following: Inlets, conduits, outlets, channels, ponds, drainage easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations: Provided, That the term "stormwater system" or "stormwater systems" does not include highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways. As used in this article "stormwater management program" or "stormwater management programs" means those activities associated with the management, operation, maintenance and control of stormwater and stormwater systems, and includes, but is not limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforce-

ment and any other activities required by state and federal law: Provided, however, That the term "stormwater management program" or "stormwater management programs" does not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways without the express agreement of the commissioner of highways.

Acts 1986, c. 81; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹18.
Gas ⟹12.
Municipal Corporations ⟹5, 6.
Waters and Water Courses ⟹183.5.
Westlaw Topic Nos. 104, 190, 268, 405.

C.J.S. Counties § 31.
C.J.S. Gas §§ 43 to 45.
C.J.S. Municipal Corporations § 11.
C.J.S. Waters §§ 483, 543 to 581.

§ 16-13A-2. Creation of districts by county commission; enlarging, reducing, merging, or dissolving district; consolidation; agreements, etc.; infringing upon powers of county commission; filing list of members and districts with the Secretary of State

(a) The county commission of any county may propose the creation, enlargement, reduction, merger, dissolution, or consolidation of a public service district by any of the following methods: (1) On its own motion by order duly adopted, (2) upon the recommendation of the Public Service Commission, or (3) by petition of twenty-five percent of the registered voters who reside within the limits of the proposed public service district within one or more counties. The petition shall contain a description, including metes and bounds, sufficient to identify the territory to be embraced therein and the name of such proposed district: *Provided,* That after the effective date of this section, no new public service district shall be created, enlarged, reduced, merged, dissolved or consolidated under this section without the written consent and approval of the Public Service Commission, which approval and consent shall be in accordance with rules promulgated by the Public Service Commission and may only be requested after consent is given by the appropriate county commission or commissions pursuant to this section. Any territory may be included regardless of whether or not the territory includes one or more cities, incorporated towns or other municipal corporations which own and operate any public service properties and regardless of whether or not it includes one or more cities, incorporated towns or other municipal corporations being served by privately owned public service properties: *Provided, however,* That the same territory shall not be included within the boundaries of more than one public service district except where the territory or part thereof is included within the boundaries of a separate public service district organized to supply water, sewerage services, stormwater services or gas facilities not being furnished within such territory or part thereof: *Provided further,* That no city, incorporated town or other municipal corporation shall be included within the boundaries of the proposed district

except upon the adoption of a resolution of the governing body of the city, incorporated town or other municipal corporation consenting.

(b) The petition shall be filed in the office of the clerk of the county commission of the county in which the territory to constitute the proposed district is situated, and if the territory is situated in more than one county, then the petition shall be filed in the office of the clerk of the county commission of the county in which the major portion of the territory extends, and a copy thereof (omitting signatures) shall be filed with each of the clerks of the county commission of the other county or counties into which the territory extends. The clerk of the county commission receiving such petition shall present it to the county commission of the county at the first regular meeting after the filing or at a special meeting called for the consideration thereof.

(c) When the county commission of any county enters an order on its own motion proposing the creation, enlargement, reduction, merger, dissolution or consolidation of a public service district, as aforesaid, or when a petition for the creation is presented, as aforesaid, the county commission shall at the same session fix a date of hearing in the county on the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed public service district, which date so fixed shall be not more than forty days nor less than twenty days from the date of the action. Within ten days of fixing the date of hearing, the county commission shall provide the Executive Secretary of the Public Service Commission with a copy of the order or petition and notification of the time and place of the hearing to be held by the county commission. If the territory proposed to be included is situated in more than one county, the county commission, when fixing a date of hearing, shall provide for notifying the county commission and clerk thereof of each of the other counties into which the territory extends of the date so fixed. The clerk of the county commission of each county in which any territory in the proposed public service district is located shall cause notice of the hearing and the time and place thereof, and setting forth a description of all of the territory proposed to be included therein to be given by publication as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for the publication shall be by publication in each city, incorporated town or municipal corporation if available in each county in which any territory in the proposed public service district is located. The publication shall be at least ten days prior to the hearing.

(d) In all cases where proceedings for the creation, enlargement, reduction, merger, dissolution or consolidation of the public service districts are initiated by petition as aforesaid, the person filing the petition shall advance or satisfactorily indemnify the payment of the cost and expenses of publishing the hearing notice, and otherwise the costs and expenses of the notice shall be paid in the first instance by the county commission out of contingent funds or any other funds available or made available for that purpose. In addition to the notice required herein to be published, there shall also be posted in at least five conspicuous places in the proposed public service district, a notice containing

the same information as is contained in the published notice. The posted notices shall be posted not less than ten days before the hearing.

(e) All persons residing in or owning or having any interest in property in the proposed public service district shall have an opportunity to be heard for and against its creation, enlargement, reduction, merger, dissolution or consolidation. At the hearing the county commission before which the hearing is conducted shall consider and determine the feasibility of the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed district. If the county commission determines that the construction or acquisition by purchase or otherwise and maintenance, operation, improvement and extension of public service properties by the public service district will be conducive to the preservation of public health, comfort and convenience of such area, the county commission shall by order create, enlarge, reduce, merge, dissolve or consolidate such public service district. If the county commission, after due consideration, determines that the proposed district will not be conducive to the preservation of public health, comfort or convenience of the area or that the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed district as set forth and described in the petition or order is not feasible, it may refuse to enter an order creating the district or it may enter an order amending the description of the proposed district and create, enlarge, reduce, merge, dissolve or consolidate the district as amended.

(f) If the county commission determines that any other public service district or districts can adequately serve the area of the proposed public service district, whether by enlargement, reduction, merger, dissolution or consolidation, it shall refuse to enter the order, but shall enter an order creating, enlarging, reducing, merging, dissolving or consolidating the area with an existing public service district, in accordance with rules adopted by the Public Service Commission for such purpose: *Provided*, That no enlargement of a public service district may occur if the present or proposed physical facilities of the public service district are determined by the appropriate county commission or the Public Service Commission to be inadequate to provide such enlarged service. The clerk of the county commission of each county into which any part of such district extends shall retain in his office an authentic copy of the order creating, enlarging, reducing, merging, dissolving or consolidating the district: *Provided, however*, That within ten days after the entry of an order creating, enlarging, reducing, merging, dissolving or consolidating a district, such order must be filed for review and approval by the Public Service Commission. The Public Service Commission may provide a hearing in the affected county on the matter and may approve, reject or modify the order of the county commission if it finds it is in the best interests of the public to do so. The Public Service Commission shall adopt rules relating to such filings and the approval, disapproval or modification of county commission orders for creating, enlarging, merging, dissolving or consolidating districts. The provisions of this section shall not apply to the implementation by a county commission of an order issued by the Public Service Commission pursuant to this section and section one-b, of this article.

(g) The county commission may, if in its discretion it deems it necessary, feasible and proper, enlarge the district to include additional areas, reduce the area of the district, where facilities, equipment, service or materials have not been extended, or dissolve the district if inactive or create or consolidate two or more such districts. If consolidation of districts is not feasible, the county commission may consolidate and centralize management and administration of districts within its county or multi-county area to achieve efficiency of operations: *Provided,* That where the county commission determines on its own motion by order entered of record, or there is a petition to enlarge the district, merge and consolidate districts, or the management and administration thereof, reduce the area of the district or dissolve the district if inactive, all of the applicable provisions of this article providing for hearing, notice of hearing and approval by the Public Service Commission shall apply. The Commission shall at all times attempt to bring about the enlargement or merger of existing public service districts in order to provide increased services and to eliminate the need for creation of new public service districts in those areas which are not currently serviced by a public service district: *Provided, however,* That where two or more public service districts are consolidated pursuant to this section, any rate differentials may continue for the period of bonded indebtedness incurred prior to consolidation. The districts may not enter into any agreement, contract or covenant that infringes upon, impairs, abridges or usurps the duties, rights or powers of the county commission, as set forth in this article, or conflicts with any provision of this article.

(h) A list of all districts and their current board members shall be filed by the county commission with the Secretary of State and the Public Service Commission by the first day of July of each year.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1967, c. 105; Acts 1975, c. 140; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1995, c. 125, eff. 90 days after March 11, 1995; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2005, c. 195, eff. 90 days after April 9, 2005.

Library References

Counties ⟹47.
Municipal Corporations ⟹6.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 70 to 73.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

Costs 6
Creation of public service districts 2
District boundaries 3
Notice of hearing 4
Number of voters within district 5
Referendum 7
Validity 1

1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5).

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24.

State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 2355; Municipal Corporations ⇐ 4

2. Creation of public service districts

Where notice, hearing and order with respect to creation of public service district considered only the question of furnishing water, such district was created only for the purposes of furnishing water services, and had no power to condemn real estate for sewerage facilities. Code, 16-13A-1, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Eminent Domain ⇐ 32

Where public service district was created for purpose of furnishing water services, county court had authority to add sewerage services to the facilities of the district under appropriate proceedings. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 270

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇐ 222; Municipal Corporations ⇐ 225(1)

3. District boundaries

Public service district statute that allowed county commission to designate district's boundaries did not also empower commission to make service territories exclusive, displacing Public Service Commission's (PSC) authority to determine service rights. Code, 16-13A-2. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Counties ⇐ 47

4. Notice of hearing

Provisions of statute, with respect to creation of public service districts, which relate to the filing of the petition or motion of the county court, the description of the territory to be embraced, and like provisions are mandatory; but, despite use of the word "shall," the requirements for posting and publication of notice and the time of setting the hearing are directory and require only substantial compliance. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 12(3); Municipal Corporations ⇐ 12(6)

Though record with respect to creation of public service district was silent with respect to posting of notice of hearing and as to whether hearing was not more than 40 nor less than 20 days after his fixing the date for hearing as provided by statute, there was substantial compliance with statute where hearing was set some time prior to the date of the hearing, there was publication of notice more than ten days prior to the date of the hearing as required, and there were no objections either before, during or after the hearing to the creation of the district or to the procedures employed in its creation. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 12(6)

5. Number of voters within district

Public service district was not void because there were not 100 legal voters owning property within the district. Code, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 6

6. Costs

Costs of proceeding whereby constitutionality of statute authorizing creation of public service districts was tested would not be taxed against defendant who was chairman of public service board and who, honestly and in good faith, though mistakenly, endeavored to perform his duty in refusing to sign revenue bonds, and each litigant would pay his own costs. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⇐ 190

7. Referendum

A public service district, once created by county court, not subject to referendum on issue to continue or be abolished. 52 W.Va. Op.Atty. Gen. 33 (August 11, 1966) 1966 WL 87428.

§ 16-13A-3. District to be a public corporation and political subdivision; powers thereof; public service boards

From and after the date of the adoption of the order creating any public service district, it is a public corporation and political subdivision of the state, but without any power to levy or collect ad valorem taxes. Each district may acquire, own and hold property, both real and personal, in its corporate name, and may sue, may be sued, may adopt an official seal and may enter into

contracts necessary or incidental to its purposes, including contracts with any city, incorporated town or other municipal corporation located within or without its boundaries for furnishing wholesale supply of water for the distribution system of the city, town or other municipal corporation, or for furnishing stormwater services for the city, town or other municipal corporation, and contract for the operation, maintenance, servicing, repair and extension of any properties owned by it or for the operation and improvement or extension by the district of all or any part of the existing municipally owned public service properties of any city, incorporated town or other municipal corporation included within the district: Provided, That no contract shall extend beyond a maximum of forty years, but provisions may be included therein for a renewal or successive renewals thereof and shall conform to and comply with the rights of the holders of any outstanding bonds issued by the municipalities for the public service properties.

The powers of each public service district shall be vested in and exercised by a public service board consisting of not less than three members, who shall be persons residing within the district, who possess certain educational, business or work experience which will be conducive to operating a public service district. Each board member shall, within six months of taking office, successfully complete the training program to be established and administered by the public service commission in conjunction with the division of environmental protection and the bureau of public health. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the district nor shall a former board member be hired by the district in any capacity within a minimum of twelve months after board member's term has expired or such board member has resigned from the district board. The members shall be appointed in the following manner:

Each city, incorporated town or other municipal corporation having a population of more than three thousand but less than eighteen thousand is entitled to appoint one member of the board, and each city, incorporated town or other municipal corporation having a population in excess of eighteen thousand shall be entitled to appoint one additional member of the board for each additional eighteen thousand population. The members of the board representing such cities, incorporated towns or other municipal corporations shall be residents thereof and shall be appointed by a resolution of the governing bodies thereof and upon the filing of a certified copy or copies of the resolution or resolutions in the office of the clerk of the county commission which entered the order creating the district, the persons so appointed become members of the board without any further act or proceedings. If the number of members of the board so appointed by the governing bodies of cities, incorporated towns or other municipal corporations included in the district equals or exceeds three, then no further members shall be appointed to the board and the members so appointed are the board of the district except in cases of merger or consolidation where the number of board members may equal five.

If no city, incorporated town or other municipal corporation having a population of more than three thousand is included within the district, then the county commission which entered the order creating the district shall appoint three members of the board, who are persons residing within the district and residing within the state of West Virginia, which three members become members of the board of the district without any further act or proceedings except in cases of merger or consolidation where the number of board members may equal five.

If the number of members of the board appointed by the governing bodies of cities, incorporated towns or other municipal corporations included within the district is less than three, then the county commission which entered the order creating the district shall appoint such additional member or members of the board, who are persons residing within the district, as is necessary to make the number of members of the board equal three except in cases of merger or consolidation where the number of board members may equal five, and the member or members appointed by the governing bodies of the cities, incorporated towns or other municipal corporations included within the district and the additional member or members appointed by the county commission as aforesaid, are the board of the district. A person may serve as a member of the board in one or more public service districts.

The population of any city, incorporated town or other municipal corporation, for the purpose of determining the number of members of the board, if any, to be appointed by the governing body or bodies thereof, is the population stated for such city, incorporated town or other municipal corporation in the last official federal census.

Notwithstanding any provision of this code to the contrary, whenever a district is consolidated or merged pursuant to section two of this article, the terms of office of the existing board members shall end on the effective date of the merger or consolidation. The county commission shall appoint a new board according to rules promulgated by the public service commission. Whenever districts are consolidated or merged no provision of this code prohibits the expansion of membership on the new board to five.

The respective terms of office of the members of the first board shall be fixed by the county commission and shall be as equally divided as may be, that is approximately one third of the members for a term of two years, a like number for a term of four years, the term of the remaining member or members for six years, from the first day of the month during which the appointments are made. The first members of the board appointed as aforesaid shall meet at the office of the clerk of the county commission which entered the order creating the district as soon as practicable after the appointments and shall qualify by taking an oath of office: Provided, That any member or members of the board may be removed from their respective office as provided in section three-a of this article.

Any vacancy shall be filled for the unexpired term within thirty days, otherwise successor members of the board shall be appointed for terms of six

years and the terms of office shall continue until successors have been appointed and qualified. All successor members shall be appointed in the same manner as the member succeeded was appointed. The district shall provide to the public service commission, within thirty days of the appointment, the following information: The new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board. The public service commission shall notify each new board member of the legal obligation to attend training as prescribed in this section.

The board shall organize within thirty days following the first appointments and annually thereafter at its first meeting after the first day of January of each year by selecting one of its members to serve as chair and by appointing a secretary and a treasurer who need not be members of the board. The secretary shall keep a record of all proceedings of the board which shall be available for inspection as other public records. Duplicate records shall be filed with the county commission and shall include the minutes of all board meetings. The treasurer is lawful custodian of all funds of the public service district and shall pay same out on orders authorized or approved by the board. The secretary and treasurer shall perform other duties appertaining to the affairs of the district and shall receive salaries as shall be prescribed by the board. The treasurer shall furnish bond in an amount to be fixed by the board for the use and benefit of the district.

The members of the board, and the chair, secretary and treasurer thereof, shall make available to the county commission, at all times, all of its books and records pertaining to the district's operation, finances and affairs, for inspection and audit. The board shall meet at least monthly.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1983, c. 166; Acts 1986, c. 81; Acts 1994, c. 61; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Law Review and Journal Commentaries

The Scope of Title Examination in West Virginia: Can Reasonable Minds Differ? John W. Fisher, II, 98 W. Va. L. Rev. 449 (1996).

"Yes, West Virginia, there is a special priority for the purchase money mortgage." The recognition of purchase money mortgage priority in West Virginia. Abraham M. Ashton, 107 W. Va. L. Rev. 525 (2005).

Library References

Counties ⇐18.
Municipal Corporations ⇐6.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

In general 1
Criminal responsibility of members 5
Ministerial officers, generally 3
Removal of members 4
Sale of water 6
Standard of care 2
Tort Claims Act 7

1. In general

Board members of the Mt. Zion Public Service District cannot be compensated for performing the duties of treasurer and/or secretary

for the Mt. Zion Public Service District; furthermore, a board member may not be compensated for reading meters for the Mt. Zion Public Service District. 63 W.Va. Op.Atty.Gen. 2 (July 14, 1988) 1988 WL 483329.

2. Standard of care

Public service district owes duty of reasonable care to avoid damage to property of others with respect to maintenance of water lines. McCloud v. Salt Rock Water Public Service Dist., 2000, 533 S.E.2d 679, 207 W.Va. 453. Waters And Water Courses ⟹ 205

3. Ministerial officers, generally

Public policy of West Virginia, as evidenced by statute making it unlawful for county or district board member or officer to be or become pecuniarily interested in proceeds of any contract or service over which he might have any voice, influence, or control, is not directed against actual fraud or collusion but is for purpose of preventing those acts and eliminating any opportunity therefor, and purpose of statute is to protect public funds and give official recognition to fact that person cannot properly represent public in transacting business with himself. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Courts ⟹ 55; Judges ⟹ 21

4. Removal of members

Public Service District board member can be removed by majority vote of registered voters. 51 W.Va. Op.Atty.Gen. 564 (November 10, 1965) 1965 WL 92492.

5. Criminal responsibility of members

County commissioner's conviction for being or becoming pecuniarily interested in contract over which he might have some voice or influence was supported by evidence of his continued performance of contract maintenance work for public service district after his election to commission. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

6. Sale of water

Public Service Districts may sell, at wholesale, bulk water to other municipal corporations. 51 W.Va. Op.Atty.Gen. 739 (March 16, 1966) 1966 WL 87469.

7. Tort Claims Act

Tort Claims Act's protection extended to public service districts, under the Act's definition of political subdivision, which included the term "public service districts," despite general authorization for public service districts to "sue and be sued," in the Public Health statutes. Zirkle v. Elkins Road Public Service Dist., 2007, 655 S.E.2d 155. Waters And Water Courses ⟹ 183.5

§ 16-13A-3a. Removal of members of public service board

The county commission or the public service commission or any other appointive body creating or establishing a public service district under the provisions of this article, or any group of five percent or more of the customers of a public service district, may petition the circuit court of the county in which the district maintains its principal office for the removal of any member of the governing board thereof for consistent violations of any provisions of this article, for reasonable cause which includes, but is not limited to, a continued failure to attend meetings of the board, failure to diligently pursue the objectives for which the district was created, or failure to perform any other duty either prescribed by law or required by a final order of the public service commission or for any malfeasance in public office. Any board member charged with a violation under this section who offers a successful defense against such charges shall be reimbursed for the reasonable costs of such defense from district revenues. Such costs shall be considered as costs associated with rate determination by the public service district and the public service commission. If the circuit court judge hearing the petition for removal finds that the charges are frivolous in nature, the judge may assess all or part of the court costs, plus the reasonable costs associated with the board member's defense, against the party or parties who petitioned the court for the board member's removal.

Acts 1963, c. 75; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1986, c. 81.

Library References

Counties ⟹45.
Public Utilities ⟹145.
Westlaw Topic Nos. 104, 317A.

C.J.S. Counties § 67.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

Criminal responsibility of members 1
Ministerial officers, generally 2
Sufficiency of evidence 3

1. Criminal responsibility of members

Upon becoming member of county commission, person who is pecuniarily interested in proceeds of any contract or service with public service district violates criminal conflict of interest statute; by virtue of that position, that person has some voice, influence, or control over continuation of contract. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

2. Ministerial officers, generally

Public policy of West Virginia, as evidenced by statute making it unlawful for county or district board member or officer to be or become pecuniarily interested in proceeds of any contract or service over which he might have any voice, influence, or control, is not directed against actual fraud or collusion but is for purpose of preventing those acts and eliminating any opportunity therefor, and purpose of statute is to protect public funds and give official recognition to fact that person cannot properly represent public in transacting business with himself. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Courts ⟹ 55; Judges ⟹ 21

3. Sufficiency of evidence

County commissioner's conviction for being or becoming pecuniarily interested in contract over which he might have some voice or influence was supported by evidence of his continued performance of contract maintenance work for public service district after his election to commission. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

Conflict of interest indictment against county commissioner was sufficient even though it did not characterize commissioner's interest as pecuniary, and commissioner was not entitled to bill of particulars. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

§ 16–13A–4. Board chairman; members' compensation; procedure; district name

(a) The chairman shall preside at all meetings of the board and may vote as any other member of the board. If the chairman is absent from any meeting, the remaining members may select a temporary chairman and if the member selected as chairman resigns as such or ceases for any reason to be a member of the board, the board shall select one of its members as chairman to serve until the next annual organization meeting.

(b) Salaries of the board members are:

(1) For districts with fewer than six hundred customers, up to seventy-five dollars per attendance at regular monthly meetings and fifty dollars per attendance at additional special meetings, total salary not to exceed fifteen hundred dollars per annum;

(2) For districts with six hundred customers or more but fewer than two thousand customers, up to one hundred dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at additional special meetings, total salary not to exceed two thousand five hundred fifty dollars per annum;

(3) For districts with two thousand customers or more, up to one hundred twenty-five dollars per attendance at regular monthly meetings and seventy-five

dollars per attendance at additional special meetings, total salary not to exceed three thousand seven hundred fifty dollars per annum; and

(4) For districts with four thousand or more customers, up to one hundred fifty dollars per attendance at regular monthly meetings and one hundred dollars per attendance at additional special meetings, total salary not to exceed five thousand four hundred dollars per annum.

The public service district shall certify the number of customers served to the Public Service Commission beginning on the first day of July, one thousand nine hundred eighty-six, and continue each fiscal year thereafter.

(c) Public service districts selling water to other water utilities for resale may adopt the following salaries for its board members:

(1) For districts with annual revenues of less than fifty thousand dollars, up to seventy-five dollars per attendance at regular monthly meetings and fifty dollars per attendance at additional special meetings, total salary not to exceed fifteen hundred dollars per annum;

(2) For districts with annual revenues of fifty thousand dollars or more, but less than two hundred fifty thousand dollars, up to one hundred dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at special meetings, total salary not to exceed two thousand five hundred fifty dollars per annum;

(3) For districts with annual revenues of two hundred fifty thousand dollars or more, but less than five hundred thousand dollars, up to one hundred twenty-five dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at additional special meetings, total salary not to exceed three thousand seven hundred fifty dollars per annum; and

(4) For districts with annual revenues of five hundred thousand dollars or more, up to one hundred fifty dollars per attendance at regular monthly meetings and one hundred dollars per attendance at additional special meetings, total salary not to exceed five thousand four hundred dollars per annum.

The public service district shall certify the number of customers served and its annual revenue to the public service commission beginning on the first day of July, two thousand, and continue each fiscal year thereafter.

(d) Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties as provided for by the rules of the board.

(e) The board shall by resolution determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meetings may be called. Public notice of meetings shall be given in accordance with section three, article nine-a, chapter six of this code. Emergency meetings may be called as provided for by said section. A majority of the members constituting the board also constitute a quorum to do business.

(f) The members of the board are not personally liable or responsible for any obligations of the district or the board, but are answerable only for willful

misconduct in the performance of their duties. The county commission which created a district or county commissions if more than one created the district may, upon written request of the district, adopt an order changing the official name of a public service district: *Provided,* That such name change will not be effective until approved by the public service commission of West Virginia and the owners of any bonds and notes issued by the district, if any, shall have consented, in writing, to the name change. If a district includes territory located in more than one county, the county commission or county commissions changing the name of the district shall provide any county commission into which the district also extends with a certified copy of the order changing the name of the district. The official name of any district created under the provisions of this article may contain the name or names of any city, incorporated town or other municipal corporation included therein or the name of any county or counties in which it is located.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2000, c. 199, eff. 90 days after March 11, 2000; Acts 2005, c. 196, eff. 90 days after April 8, 2005.

Library References

Counties ⟹68, 87.
Municipal Corporations ⟹161.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 107 to 118, 128.
C.J.S. Municipal Corporations §§ 372 to 390.

Notes of Decisions

In general 1

1. In general

Board members of the Mt. Zion Public Service District cannot be compensated for performing the duties of treasurer and/or secretary for the Mt. Zion Public Service District; furthermore, a board member may not be compensated for reading meters for the Mt. Zion Public Service District. 63 W.Va. Op.Atty.Gen. 2 (July 14, 1988) 1988 WL 483329.

§ 16–13A–5. General manager of board

The board may employ a general manager to serve a term of not more than five years and until his or her successor is employed, and his or her compensation shall be fixed by resolution of the board. Such general manager shall devote all or the required portion of his or her time to the affairs of the district and may employ, discharge and fix the compensation of all employees of the district, except as in this article otherwise provided, and he or she shall perform and exercise such other powers and duties as may be conferred upon him or her by the board.

Such general manager shall be chosen without regard to his or her political affiliations and upon the sole basis of his or her administrative and technical qualifications to manage public service properties and affairs of the district and he or she may be discharged only upon the affirmative vote of two thirds of the board. Such general manager need not be a resident of the district at the time he or she is chosen. Such general manager may not be a member of the board but shall be an employee of the board.

The board of any public service district which purchases water, sewer or stormwater service from a municipal water, sewer or stormwater system or

another public service district may, as an alternative to hiring its own general manager, elect to permit the general manager of the municipal water, sewer or stormwater system or public service district from which such water, sewer or stormwater service is purchased provide professional management to the district, if the appropriate municipality or public service board agrees to provide such assistance. The general manager shall receive reasonable compensation for such service.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹65, 68.
Municipal Corporations ⟹149, 161.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties §§ 101 to 103, 107 to 118.
C.J.S. Municipal Corporations §§ 361 to 366, 368, 372 to 390.

§ 16-13A-6. Employees of board

The board may in its discretion from time to time by resolution passed by a majority vote provide for the employment of an attorney, fiscal agent, one or more engineers and such other employees as the board may determine necessary and expedient. The board shall in and by such resolution fix the term of employment and compensation and prescribe the duties to be performed by such employees.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⟹65, 68, 87.
Municipal Corporations ⟹149, 161, 170.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties §§ 101 to 103, 107 to 118, 128.
C.J.S. Municipal Corporations §§ 361 to 366, 368, 372 to 405.

§ 16-13A-7. Acquisition and operation of district properties

The board of such districts shall have the supervision and control of all public service properties acquired or constructed by the district, and shall have the power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those activities necessary to comply with all federal and state requirements, including water quality improvement activities. All contracts involving the expenditure by the district of more than fifteen thousand dollars for construction work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after notice inviting bids shall have been published as a Class I legal advertisement in compliance with the provision of article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in section two of this article in the county or counties in which the district is located. The publication shall not be less than ten days prior to the making of any such contract. To the extent allowed by law, in-state contractors shall be given first priority in awarding public service district contracts. It shall be the duty of the board to ensure that local in-state labor shall be utilized to the greatest extent

possible when hiring laborers for public service district construction or maintenance repair jobs. It shall further be the duty of the board to encourage contractors to use American made products in their construction to the extent possible. Any obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the meaning of any of the provisions or limitations of the constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the public service properties of the district or from proceeds of bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies or for furnishing the district with electrical energy or power shall be entered into for a longer period than fifteen years.

Acts 1953, c. 147; Acts 1967, c. 105; Acts 1981, c. 124; Acts 1982, c. 24; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⚷107.
Municipal Corporations ⚷711.
Public Utilities ⚷114.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 147.
C.J.S. Municipal Corporations § 1535.
C.J.S. Public Utilities §§ 5 to 9, 202 to 207.

§ 16–13A–8. Acquisition and purchase of public service properties; right of eminent domain; extraterritorial powers

The board may acquire any publicly or privately owned public service properties located within the boundaries of the district regardless of whether or not all or any part of such properties are located within the corporate limits of any city, incorporated town or other municipal corporation included within the district and may purchase and acquire all rights and franchises and any and all property within or outside the district necessary or incidental to the purpose of the district.

The board may construct any public service properties within or outside the district necessary or incidental to its purposes and each such district may acquire, construct, maintain and operate any such public service properties within the corporate limits of any city, incorporated town or other municipal corporation included within the district or in any unincorporated territory within ten miles of the territorial boundaries of the district: Provided, That if any incorporated city, town or other municipal corporation included within the district owns and operates either water facilities, sewer facilities, stormwater facilities or gas facilities or all of these, then the district may not acquire, construct, establish, improve or extend any public service properties of the same kind within such city, incorporated towns or other municipal corporations or the adjacent unincorporated territory served by such cities, incorporated towns or other municipal corporations, except upon the approval of the public service commission, the consent of such cities, incorporated towns or other municipal corporations and in conformity and compliance with the rights of the holders of any revenue bonds or obligations theretofore issued by such cities, incorporated towns or other municipal corporations then outstanding

and in accordance with the ordinance, resolution or other proceedings which authorize the issuance of such revenue bonds or obligations.

Whenever such district has constructed, acquired or established water facilities, sewer facilities, a stormwater system, stormwater management program or gas facilities for water, sewer, stormwater or gas services within any city, incorporated town or other municipal corporation included within a district, then such city, incorporated town or other municipal corporation may not thereafter construct, acquire or establish any facilities of the same kind within such city, incorporated town or other municipal corporation without the consent of such district.

For the purpose of acquiring any public service properties or lands, rights or easements deemed necessary or incidental for the purposes of the district, each such district has the right of eminent domain to the same extent and to be exercised in the same manner as now or hereafter provided by law for such right of eminent domain by cities, incorporated towns and other municipal corporations: Provided, That the power of eminent domain provided in this section does not extend to highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways without the express agreement of the commissioner of highways: Provided, however, That such board may not acquire all or any substantial part of a privately owned waterworks system unless and until authorized so to do by the public service commission of West Virginia, and that this section shall not be construed to authorize any district to acquire through condemnation proceedings either in whole or substantial part an existing privately owned waterworks plant or system or gas facilities located in or furnishing water or gas service within such district or extensions made or to be made by it in territory contiguous to such existing plant or system, nor may any such board construct or extend its public service properties to supply its services into areas served by or in competition with existing waterworks or gas facilities or extensions made or to be made in territory contiguous to such existing plant or system by the owner thereof.

Acts 1953, c. 147; Acts 1980, c. 60; Acts 1981, c. 124; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹103, 104.
Eminent Domain ⟹6, 16.
Municipal Corporations ⟹221, 224.
Westlaw Topic Nos. 104, 148, 268.

C.J.S. Counties §§ 143 to 144, 147.
C.J.S. Municipal Corporations §§ 873 to 880.
C.J.S. Property § 17.

Notes of Decisions

In general 2
Connections with sewers or drains 6
Eminent domain powers 3
Environmental assessment 5
Public corporation 7
Validity 1
Valuation of property 4

1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying wa-

ter and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5)

Property of public service district is public property used for public purposes, and, under constitutional provision that public property shall be exempt from taxation, statute authorizing creation of public service districts and granting tax exemption was not violative of constitutional provision requiring that taxation be equal and uniform throughout state. Acts 1953, c. 147, § 1 et seq.; Const. art. 10, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Taxation ⟹ 2289

2. In general

Statute providing that private property may be taken or damaged for a number of specified purposes amounts to legislative declaration of public purposes within meaning of laws, and it is a judicial question whether such declaration is consonant with organic law. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2510

3. Eminent domain powers

Although construction of new facility proposed by utility will often require taking of private property through eminent domain, absent express statutory language Public Service Commission (PSC) has no duty to review and decide issues that are inherent in eminent domain proceeding. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Public Utilities ⟹ 114

Statute providing that private property may be taken or damaged for a number of specified purposes is consonant with organic law and is constitutional. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Eminent Domain ⟹ 3

4. Valuation of property

Although landowner is competent to give estimate of value of property in eminent domain proceeding, that valuation is not conclusive; government agency may rely on appraisal report concerning estimated value of property to be taken. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Evidence ⟹ 568(4)

5. Environmental assessment

Whether construction of sewage lagoons would constitute "nuisance" does not defeat Public Service Commission's (PSC) jurisdiction to issue certificate of public convenience and necessity; while PSC may assess environmental considerations, chief inquiry by PSC is need of public for project. Code, 24–2–11. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Municipal Corporations ⟹ 708

6. Connections with sewers or drains

City, rather than sewer and water districts, was entitled to provide sewer and water services to newly developed tract that was within districts' boundaries, but was annexed to city, where such services were not previously furnished to tract. Code, 16–13A–8. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Municipal Corporations ⟹ 712(1); Waters And Water Courses ⟹ 201

If a tract of real estate located within a public service district has been annexed into a municipality, then, as between the municipality and the public service district, the municipality has the superior right to extend water and/or sewer service which were not being previously furnished to the tract by the public service district, and under those circumstances, a public service district would need the consent of the municipality and the Public Service Commission (PSC) in order to provide such service. Code, 16–13A–8. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Municipal Corporations ⟹ 712(1); Waters And Water Courses ⟹ 201; Waters And Water Courses ⟹ 202

7. Public corporation

A public service district is a public corporation and does not come within constitutional provision which in substance provides that all corporations shall be created by general laws and which is applicable to private corporations. Acts 1953, c. 147, § 1 et seq.; Const. art. 11, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 80(3)

§ 16–13A–9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees

(a)(1) The board may make, enact and enforce all needful rules in connection with the acquisition, construction, improvement, extension, management,

maintenance, operation, care, protection and the use of any public service properties owned or controlled by the district. The board shall establish rates, fees and charges for the services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other law or laws, to pay the cost of maintenance, operation and depreciation of the public service properties and principal of and interest on all bonds issued, other obligations incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration domestic, commercial, industrial and public use of water and gas;

(B) The number and kind of fixtures connected with the facilities located on the various premises;

(C) The number of persons served by the facilities;

(D) Any combination of paragraphs (A), (B) and (C) of this subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises served and the nature and extent of the services and facilities furnished. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia division of highways.

(2) Where water, sewer, stormwater or gas services, or any combination thereof, are all furnished to any premises, the schedule of charges may be billed as a single amount for the aggregate of the charges. The board shall require all users of services and facilities furnished by the district to designate on every application for service whether the applicant is a tenant or an owner of the premises to be served. If the applicant is a tenant, he or she shall state the name and address of the owner or owners of the premises to be served by the district. Notwithstanding the provisions of section eight, article three, chapter twenty-four of this code to the contrary, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage of the applicant's specific customer class or fifty dollars, with the district to secure the payment of service rates, fees and charges in the event they become delinquent as provided in this section. If a district provides both water and sewer service, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage for water service or fifty dollars and the greater of a sum equal to two twelfths of the average annual usage for wastewater service of the applicant's specific customer class or fifty dollars. In any case where a deposit is forfeited to pay service rates, fees and charges which were delinquent at the time of disconnection or termination of service, no reconnection or reinstatement of service may be made by the district until another deposit equal to the greater of a sum equal to two twelfths of the average usage for the applicant's specific customer class or fifty dollars

has been remitted to the district. After twelve months of prompt payment history, the district shall return the deposit to the customer or credit the customer's account at a rate as the public service commission may prescribe: *Provided,* That where the customer is a tenant, the district is not required to return the deposit until the time the tenant discontinues service with the district. Whenever any rates, fees, rentals or charges for services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The board may, under reasonable rules promulgated by the public service commission, shut off and discontinue water or gas services to all delinquent users of either water or gas facilities, or both, ten days after the water or gas services become delinquent.

(b) In the event that any publicly or privately owned utility, city, incorporated town, other municipal corporation or other public service district included within the district owns and operates separately either water facilities or sewer facilities, and the district owns and operates the other kind of facilities either water or sewer, as the case may be, then the district and the publicly or privately owned utility, city, incorporated town or other municipal corporation or other public service district shall covenant and contract with each other to shut off and discontinue the supplying of water service for the nonpayment of sewer service fees and charges: *Provided,* That any contracts entered into by a public service district pursuant to this section shall be submitted to the public service commission for approval. Any public service district providing water and sewer service to its customers has the right to terminate water service for delinquency in payment of either water or sewer bills. Where one public service district is providing sewer service and another public service district or a municipality included within the boundaries of the sewer district is providing water service, and the district providing sewer service experiences a delinquency in payment, the district or the municipality included within the boundaries of the sewer district that is providing water service, upon the request of the district providing sewer service to the delinquent account, shall terminate its water service to the customer having the delinquent sewer account: *Provided, however,* That any termination of water service must comply with all rules and orders of the public service commission.

(c) Any district furnishing sewer facilities within the district may require, or may by petition to the circuit court of the county in which the property is located, compel or may require the division of health to compel all owners, tenants or occupants of any houses, dwellings and buildings located near any sewer facilities where sewage will flow by gravity or be transported by other methods approved by the division of health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code, from the houses, dwellings or buildings into the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from the houses, dwellings and buildings where

there is gravity flow or transportation by any other methods approved by the division of health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code and the houses, dwellings and buildings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the sewer facilities provided for in this paragraph is necessary and essential for the health and welfare of the inhabitants and residents of the districts and of the state. If the public service district requires the property owner to connect with the sewer facilities even when sewage from dwellings may not flow to the main line by gravity and the property owner incurs costs for any changes in the existing dwellings' exterior plumbing in order to connect to the main sewer line, the public service district board shall authorize the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, installation, operation, maintenance and purchase of a pump or any other method approved by the division of health. Maintenance and operation costs for the extra installation should be reflected in the users charge for approval of the public service commission. The circuit court shall adjudicate the merits of the petition by summary hearing to be held not later than thirty days after service of petition to the appropriate owners, tenants or occupants.

(d) Whenever any district has made available sewer facilities to any owner, tenant or occupant of any house, dwelling or building located near the sewer facility and the engineer for the district has certified that the sewer facilities are available to and are adequate to serve the owner, tenant or occupant and sewage will flow by gravity or be transported by other methods approved by the division of health from the house, dwelling or building into the sewer facilities, the district may charge, and the owner, tenant or occupant shall pay the rates and charges for services established under this article only after thirty-day notice of the availability of the facilities has been received by the owner, tenant or occupant. Rates and charges for sewage services shall be based upon actual water consumption or the average monthly water consumption based upon the owner's, tenant's or occupant's specific customer class.

(e) Whenever any district has made available a stormwater system to any owner, tenant or occupant of any real property located near the stormwater system and where stormwater from real property affects or drains into the stormwater system, it is hereby found, determined and declared that the owner, tenant or occupant is being served by the stormwater system and it is further hereby found, determined and declared that the mandatory use of the stormwater system is necessary and essential for the health and welfare of the inhabitants and residents of the district and of the state. The district may charge, and the owner, tenant or occupant shall pay the rates, fees and charges for stormwater services established under this article only after thirty-day notice of the availability of the stormwater system has been received by the owner.

(f) All delinquent fees, rates and charges of the district for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, school and munici-

pal taxes. In addition to the other remedies provided in this section, public service districts are granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of delinquent water, sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its customer or other responsible party, the district shall pay to the magistrate the normal filing fee and reasonable costs which were previously deferred. In addition, each public service district may exchange with other public service districts a list of delinquent accounts: *Provided,* That an owner of real property may not be held liable for the delinquent rates or charges for services or facilities of a tenant, nor may any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of the real property, unless the owner has contracted directly with the public service district to purchase the services or facilities.

(g) Anything in this section to the contrary notwithstanding, any establishment, as defined in section three, article eleven, chapter twenty-two, now or hereafter operating its own sewage disposal system pursuant to a permit issued by the division of environmental protection, as prescribed by section eleven, article eleven, chapter twenty-two of this code, is exempt from the provisions of this section.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1989, c. 174; Acts 1994, c. 61; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2003, c. 183, eff. 90 days after March 8, 2003.

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Gas ⟹14.6.
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C.J.S. Gas §§ 64, 84 to 85.
C.J.S. Municipal Corporations § 1535.
C.J.S. Waters §§ 483, 666 to 732.

Notes of Decisions

Notice of availability of sewer service 5
Public service district liens 3
Rates and charges for service 4
Takings 2
Validity 1

1. Validity

In statute authorizing creation of public service districts, provision for delinquent fixed rates and charges for services rendered to be lien on premises served was not unconstitutional as depriving owners of property without due process of law or as violating Fourteenth Amendment of United States Constitution or applicable provisions of State Constitution. Acts 1953, c. 147, § 1 et seq.; Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4416; Municipal Corporations ⟹ 408(1)

2. Takings

Public service district's requiring property owner to connect onto its sewer system and to abandon private sewer system located on property was not a taking of private property without just compensation. Const. Art. 3, § 9; Code, 16-13A-9; U.S.C.A. Const.Amend. 5. Kingmill Valley Public Service Dist. v. River-

view Estates Mobile Home Park, Inc., 1989, 386 S.E.2d 483, 182 W.Va. 116. Eminent Domain ⟹ 2.18

Statute providing that private property may be taken or damaged for a number of specified purposes amounts to legislative declaration of public purposes within meaning of laws, and it is a judicial question whether such declaration is consonant with organic law. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2510

3. Public service district liens

Public service district liens must be docketed to be enforceable against purchaser of property for valuable consideration, without notice. Code, 16-13A-9, 38-10C-1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Gas ⟹ 14.6; Municipal Corporations ⟹ 712(7); Waters And Water Courses ⟹ 203(14)

Public service district's failure to docket notice of lien prior to date purchaser recorded deed of trust prevented district from enforcing sewer lien against purchaser. Code, 16-13A-9, 38-10C-1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Municipal Corporations ⟹ 712(7)

If owner, tenant or occupant of garage apartment did not receive notice that public service district's sewer facilities were available for apartment, district would have been without statutory authority to impose charges and a lien against apartment for sewer services, though the apartment was on a lot containing another dwelling which was properly subject to sewer service charges. Code, 16-13A-9, 16-13A-21. Rhodes v. Malden Public Service Dist., 1983, 301 S.E.2d 601, 171 W.Va. 645. Municipal Corporations ⟹ 712(7)

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

4. Rates and charges for service

Statute clearly and unambiguously gives Public Service Commission (PSC) power to reduce or increase utility rates whenever it finds that existing rate is unjust, unreasonable, insufficient, or unjustly discriminatory or otherwise in violation of any provision of legislation governing Commission. Code, 24-1-1 et seq., 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⟹ 123

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16-13A-1 et seq., 16-13A-9, 16-13A-10, 16-13A-13, 16-13A-17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

Duty imposed on public service district, a public corporation and political subdivision of state, to establish rates and charges sufficient to pay cost of maintenance, operation and depreciation of properties of district and principal of and interest on all bonds issued by district is nondiscretionary duty which may be enforced by mandamus. Code, 16-13A-9. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 80

5. Notice of availability of sewer service

Issue of fact as to whether owner or tenant had received notice that public service district's sewer services were available for garage apartment, so as to allow imposition of sewer service charges and a lien against apartment, was not appropriate for resolution in mandamus proceeding. Code, 16-13A-9, 16-13A-21. Rhodes v. Malden Public Service Dist., 1983, 301 S.E.2d 601, 171 W.Va. 645. Mandamus ⟹ 174

§ 16-13A-9a. Limitations with respect to foreclosure

No public service district shall foreclose upon the premises served by such district for delinquent fees, rates or charges for which a lien is authorized by sections nine or nineteen of this article except through the bringing and maintenance of a civil action for such purpose brought in the circuit court of the county wherein the district lies. In every such action, the court shall be required to make a finding based upon the evidence and facts presented that

the district prior to the bringing of such action had exhausted all other remedies for the collection of debts with respect to such delinquencies. In no event shall foreclosure procedures be instituted by any such district or on its behalf unless such delinquency had been in existence or continued for a period of two years from the date of the first such delinquency for which foreclosure is being sought.

Acts 1982, c. 74.

Library References

Gas ⟹14.6.
Municipal Corporations ⟹712.
Waters and Water Courses ⟹203.
Westlaw Topic Nos. 190, 268, 405.

C.J.S. Gas §§ 64, 84 to 85.
C.J.S. Municipal Corporations § 1535.
C.J.S. Waters §§ 483, 666 to 732.

§ 16–13A–10. Budget

The board shall establish the beginning and ending of its fiscal year, which period shall constitute its budget year, and at least thirty days prior to the beginning of the first full fiscal year after the creation of the district and annually thereafter the general manager shall prepare and submit to the board a tentative budget which shall include all operation and maintenance expenses, payments to a capital replacement account and bond payment schedules for the ensuing fiscal year. Such tentative budget shall be considered by the board, and, subject to any revisions or amendments that may be determined by the board, shall be adopted as the budget for the ensuing fiscal year. Upon adoption of the budget, a copy of the budget shall be forwarded to the county commission. No expenditures for operation and maintenance expenses in excess of the budget shall be made during such fiscal year unless unanimously authorized and directed by the board.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⟹154.5.
Municipal Corporations ⟹879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

§ 16–13A–11. Accounts; audit

The general manager, under direction of the board, shall install and maintain a proper system of accounts, in accordance with all rules, regulations or orders

pertaining thereto by the public service commission, showing receipts from operation and application of the same, and the board shall at least once a year cause such accounts to be properly audited: Provided, That such audit may be any audit by an independent public accountant completed within one year of the time required for the submission of the report: Provided, however, That if the district is required to have its books, records and accounts audited annually by an independent certified public accountant as a result of any covenant in any board resolution or bond instrument, a copy of such audit may be submitted in satisfaction of the requirements of this section, and is hereby found, declared and determined to be sufficient to satisfy the requirements of article nine, chapter six of this code pertaining to the annual audit report by the state tax commission. A copy of the audit shall be forwarded within thirty days of submission to the county commission and to the public service commission.

The treasurer of each public service district shall keep and preserve all financial records of the public service district for ten years, and shall at all times have such records readily available for public inspection. At the end of his term of office, the treasurer of each public service district shall promptly deliver all financial records of the public service district to his successor in office. Any treasurer of a public service district who knowingly or willfully violates any provision of this section is guilty of a misdemeanor, and shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned in the county jail not more than ten days, or both.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81.

Library References

Counties ⇐154.5.
Municipal Corporations ⇐879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

§ 16-13A-12. Disbursement of district funds

No money may be paid out by a district except upon an order signed by the chairman and secretary of such board, or such other person or persons authorized by the chairman or secretary, as the case may be, to sign such orders on their behalf. Each order for the payment of money shall specify the purposes for which the amount thereof is to be paid, with sufficient clearness to indicate the purpose for which the order is issued, and there shall be endorsed thereon the name of the particular fund out of which it is payable and it shall be payable from the fund constituted for such purpose, and no other. All such orders shall be reflected in the minutes of the next meeting of the board.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⇐158.
Municipal Corporations ⇐883.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 198.
C.J.S. Municipal Corporations §§ 1626, 1635.

§ 16–13A–13. Revenue bonds

For constructing or acquiring any public service properties for the authorized purposes of the district, or necessary or incidental thereto, and for constructing improvements and extensions thereto, and also for reimbursing or paying the costs and expenses of creating the district, the board of any such district is hereby authorized to borrow money from time to time and in evidence thereof issue the bonds of such district, payable solely from the revenues derived from the operation of the public service properties under control of the district. Such bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times not exceeding forty years from their respective dates, may bear interest at such rate or rates not exceeding eighteen percent per annum payable at such times, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be subject to such terms of redemption with or without premium, may be declared or become due before maturity date thereof, may be authenticated in any manner, and upon compliance with such conditions, and may contain such terms and covenants as may be provided by resolution or resolutions of the board. Notwithstanding the form or tenor thereof, and in the absence of any express recital on the face thereof, that the bond is nonnegotiable, all such bonds shall be, and shall be treated as, negotiable instruments for all purposes. Bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding for all purposes notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be such officers. Notwithstanding the requirements or provisions of any other law, any such bonds may be negotiated or sold in such manner and at such time or times as is found by the board to be most advantageous, and all such bonds may be sold at such price that the interest cost of the proceeds therefrom does not exceed nineteen percent per annum, based on the average maturity of such bonds and computed according to standard tables of bond values. Any resolution or resolutions providing for the issuance of such bonds may contain such covenants and restrictions upon the issuance of additional bonds thereafter as may be deemed necessary or advisable for the assurance of the payment of the bonds thereby authorized.

Acts 1953, c. 147; Acts 1970, c. 11; Acts 1970, c. 12; Acts 1970, 1st Ex. Sess., c. 2; Acts 1980, c. 33; Acts 1981, 1st Ex. Sess., c. 2; Acts 1989, c. 174.

Library References

Counties ⟹174.
Municipal Corporations ⟹911.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1647 to 1649.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16-13A-1 et seq., 16-13A-9, 16-13A-10, 16-13A-13, 16-13A-17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

Two acts amending same Code section in same manner except as to maximum interest rate of bonds, enacted on same date at same legislative session, and impossible to determine which passed after the other, that having lower maximum interest rate will govern. 53 W.Va. Op.Atty.Gen. 418 (April 8, 1970) 1970 WL 116579.

§ 16-13A-14. Items included in cost of properties

The cost of any public service properties acquired under the provisions of this article shall be deemed to include the cost of the acquisition or construction thereof, the cost of all property rights, easements and franchises deemed necessary or convenient therefor and for the improvements and extensions thereto; for stormwater systems and associated stormwater management programs; those activities which include, but are not limited to, water quality improvement activities necessary to comply with all federal and state requirements; interest upon bonds prior to and during construction or acquisition and for six months after completion of construction or of acquisition of the improvements and extensions; engineering, fiscal agents and legal expenses; expenses for estimates of cost and of revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the construction or acquisition of the properties and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof.

Acts 1953, c. 147; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹154.5.
Municipal Corporations ⟹879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

§ 16-13A-15. Bonds may be secured by trust indenture

In the discretion and at the option of the board such bonds may be secured by a trust indenture by and between the district and a corporate trustee, which may be a trust company or bank having powers of a trust company within or without the State of West Virginia, but no such trust indenture shall convey, mortgage or create any lien upon the public service properties or any part thereof. The resolution authorizing the bonds and fixing the details thereof may provide that such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of bondholders as may be reasonable

and proper, not in violation of law, including covenants setting forth the duties of the district and the members of its board and officers in relation to the construction or acquisition of public service properties and the improvement, extension, operation, repair, maintenance and insurance thereof, and the custody, safeguarding and application of all moneys, and may provide that all or any part of the construction work shall be contracted for, constructed and paid for, under the supervision and approval of consulting engineers employed or designated by the board and satisfactory to the original bond purchasers, their successors, assignees or nominees, who may be given the right to require the security given by contractors and by any depository of the proceeds of bonds or revenues of the public service properties or other money pertaining thereto be satisfactory to such purchasers, their successors, assignees or nominees. Such indenture may set forth the rights and remedies of the bondholders and such trustee.

Acts 1953, c. 147.

Library References

Counties ⟹183.
Municipal Corporations ⟹950(15).
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 222.
C.J.S. Municipal Corporations §§ 1708 to 1709.

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

§ 16-13A-16. Sinking fund for revenue bonds

At or before the time of the issuance of any bonds under this article the board shall by resolution or in the trust indenture provide for the creation of a sinking fund and for monthly payments into such fund from the revenues of the public service properties operated by the district such sums in excess of the cost of maintenance and operation of such properties as will be sufficient to pay the accruing interest and retire the bonds at or before the time each will respectively become due and to establish and maintain reserves therefor. All sums which are or should be, in accordance with such provisions, paid into such sinking fund shall be used solely for payment of interest and for the retirement of such bonds at or prior to maturity as may be provided or required by such resolutions.

Acts 1953, c. 147.

Library References

Counties ⟹186.5.
Municipal Corporations ⟹951.
Westlaw Topic Nos. 104, 268.

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

§ 16-13A-17. Collection, etc., of revenues and enforcement of covenants; default; suit, etc., by bondholder or trustee to compel performance of duties; appointment and powers of receiver

The board of any such district shall have power to insert enforceable provisions in any resolution authorizing the issuance of bonds relating to the collection, custody and application of revenues of the district from the operation of the public service properties under its control and to the enforcement of the covenants and undertakings of the district. In the event there shall be default in the sinking fund provisions aforesaid or in the payment of the principal or interest on any of such bonds or, in the event the district or its board or any of its officers, agents or employees, shall fail or refuse to comply with the provisions of this article, or shall default in any covenant or agreement made with respect to the issuance of such bonds or offered as security therefor, then any holder or holders of such bonds and any such trustee under the trust indenture, if there be one, shall have the right by suit, action, mandamus or other proceeding instituted in the circuit court for the county or any of the counties wherein the district extends, or in any other court of competent jurisdiction, to enforce and compel performance of all duties required by this article or undertaken by the district in connection with the issuance of such bonds, and upon application of any such holder or holders, or such trustee, such court shall, upon proof of such defaults, appoint a receiver for the affairs of the district and its properties, which receiver so appointed shall forthwith directly, or by his agents and attorneys, enter into and upon and take possession of the affairs of the district and each and every part thereof, and hold, use, operate, manage and control the same, and in the name of the district exercise all of the rights and powers of such district as shall be deemed expedient, and such receiver shall have power and authority to collect and receive all revenues and apply same in such manner as the court shall direct. Whenever the default causing the appointment of such receiver shall have been cleared and fully discharged and all other defaults shall have been cured, the court may in its discretion and after such notice and hearing as it deems reasonable and proper direct the receiver to surrender possession of the affairs of the district to its board. Such receiver so appointed shall have no power to sell, assign, mortgage, or otherwise dispose of any assets of the district except as hereinbefore provided.

Acts 1953, c. 147.

Library References

Counties ⟹188.
Municipal Corporations ⟹937, 955.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1707, 1711.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

§ 16–13A–18. Operating contracts

The board may enter into contracts or agreements with any persons, firms or corporations for the operation and management of the public service properties within the district, or any part thereof, for such period of time and under such terms and conditions as shall be agreed upon between the board and such persons, firms or corporations. The board shall have power to provide in the resolution authorizing the issuance of bonds, or in any trust indenture securing such bonds, that such contracts or agreements shall be valid and binding upon the district as long as any of said bonds, or interest thereon, are outstanding and unpaid.

Acts 1953, c. 147.

Library References

Counties ⟹114.
Municipal Corporations ⟹328.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 161.
C.J.S. Municipal Corporations §§ 1027 to 1029.

§ 16–13A–18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds

In any case where a public service district owns a water, sewer, stormwater or gas system, and a majority of not less than sixty percent of the members of the public service board thereof deem it for the best interests of the district to sell, lease or rent such water, sewer, stormwater or gas system to any municipality or privately-owned water, sewer, stormwater or gas system, or to any water, sewer, stormwater or gas system owned by an adjacent public service district, the board may so sell, lease or rent such water, sewer, stormwater or gas system upon such terms and conditions as said board, in its discretion, considers in the best interests of the district: Provided, That such sale, leasing or rental may be made only upon: (1) The publication of notice of a hearing before the board of the public service district, as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, in a newspaper published and of general circulation in the county or counties wherein the district is located, such publication to be made not earlier than twenty days and not later than seven days prior to the hearing; (2) approval by the county commission or commissions of the county or counties in which the district operates; and (3) approval by the public service commission of West Virginia.

In the event of any such sale, the proceeds thereof, if any, remaining after payment of all outstanding bonds and other obligations of the district, shall be ratably distributed to any persons who have made contributions in aid of construction of such water, sewer, stormwater or gas system, such distribution not to exceed the actual amount of any such contribution, without interest, and any balance of funds thereafter remaining shall be paid to the county commission of the county in which the major portion of such water, sewer, stormwater or gas system is located to be placed in the general funds of such county commission.

Acts 1963, c. 75; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 160, eff. 90 days after April 10, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐110.
Municipal Corporations ⇐225.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 147.
C.J.S. Municipal Corporations §§ 882 to 892.

§ 16-13A-19. Statutory mortgage lien created; foreclosure thereof

There shall be and is hereby created a statutory mortgage lien upon such public service properties of the district, which shall exist in favor of the holders of bonds hereby authorized to be issued, and each of them, and the coupons attached to said bonds, and such public service properties shall remain subject to such statutory mortgage lien until payment in full of all principal of and interest on such bonds. Any holder of such bonds, of any coupons attached thereto, may, either at law or in equity, enforce said statutory mortgage lien conferred hereby and upon default in the payment of the principal of or interest on said bonds, may foreclose such statutory mortgage lien in the manner now provided by the laws of the State of West Virginia for the foreclosure of mortgages on real property.

Acts 1953, c. 147.

Library References

Counties ⇐188.
Municipal Corporations ⇐937, 955.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1707, 1711.

Notes of Decisions

In general 1

1. In general

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇐ 222; Municipal Corporations ⇐ 225(1)

§ 16-13A-20. Refunding revenue bonds

The board of any district having issued bonds under the provisions of this article is hereby empowered thereafter by resolution to issue refunding bonds of such district for the purpose of retiring or refinancing such outstanding

bonds, together with any unpaid interest thereon and redemption premium thereunto appertaining and all of the provisions of this article relating to the issuance, security and payment of bonds shall be applicable to such refunding bonds, subject, however, to the provisions of the proceedings which authorized the issuance of the bonds to be so refunded.

Acts 1953, c. 147.

Library References

Counties ⟹175.
Municipal Corporations ⟹913.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1647 to 1648, 1651.

§ 16-13A-21. Complete authority of article; liberal construction; district to be public instrumentality; tax exemption

This article is full and complete authority for the creation of public service districts and for carrying out the powers and duties of same as herein provided. The provisions of this article shall be liberally construed to accomplish its purpose and no procedure or proceedings, notices, consents or approvals, are required in connection therewith except as may be prescribed by this article: Provided, That all functions, powers and duties of the public service commission of West Virginia, the bureau of public health, the division of environmental protection and the environmental quality board remain unaffected by this article. Every district organized, consolidated, merged or expanded under this article is a public instrumentality created and functioning in the interest and for the benefit of the public, and its property and income and any bonds issued by it are exempt from taxation by the state of West Virginia, and the other taxing bodies of the state: Provided, however, That the board of any such district may use and apply any of its available revenues and income for the payment of what such board determines to be tax or license fee equivalents to any local taxing body and in any proceedings for the issuance of bonds of such district may reserve the right to annually pay a fixed or computable sum to such taxing bodies as such tax or license fee equivalent.

Acts 1953, c. 147; Acts 1986, c. 81; Acts 1994, c. 61.

Library References

Counties ⟹18.
Municipal Corporations ⟹5.
Taxation ⟹2316, 3519.
Westlaw Topic Nos. 104, 268, 371.
C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

In general 2
Validity 1

1. Validity

Statute authorizing creation of public service districts violates no provision of State Constitution, nor is it violative of Fourteenth Amendment to United States Constitution. Act 1953, c. 147; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4056; Municipal Corporations ⟹ 4

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional

delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2355; Municipal Corporations ⟹ 4

2. In general

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5)

§ 16–13A–22. Validation of prior acts and proceedings of county courts for creation of districts, inclusion of additional territory, and appointment of members of district boards

All acts and proceedings taken by any county court of this State purporting to have been carried out under the provisions of this article which have been taken, prior to the date this section takes effect, for the purpose of creating public service districts or for the purpose of subsequent inclusion of additional territory to existing public service districts, after notice published by any such county court having territorial jurisdiction thereof of its intention to include such additional territory after hearing thereon, are hereby validated, ratified, approved and confirmed notwithstanding any other lack of power (other than constitutional) of any such county court to create such public service districts or to include additional territory to existing public service districts or irregularities (other than constitutional) in such proceedings, relating to the appointment and qualification of more than three members to the board of any such public service district or the subsequent appointment of successors of any or all of such members, notwithstanding that no city, incorporated town or other municipal corporation having a population in excess of three thousand is included within the district, and the appointment and qualification of such members, and further including any irregularities in the petition for the creation of any public service district, irregularities in the description of the area embraced by such district, and irregularities in the notice and publication of notice for the hearing creating such district, prior to the date this section takes effect, is hereby validated, ratified, approved and confirmed; and, further, in such cases where more than three members of the board of such districts have been so appointed prior to the date this section takes effect then such county court shall appoint, and they are hereby authorized and empowered to appoint, successors to such members in the manner as otherwise provided by this article.

Acts 1958, c. 14; Acts 1960, c. 19.

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

Library References

Counties ⟹18.
Municipal Corporations ⟹5.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

§ 16–13A–23. Validation of acts and proceedings of public service boards

All acts and proceedings taken by any public service board the members of which were appointed, prior to the date this section takes effect, by any county court of this State having territorial jurisdiction thereof, are hereby validated, ratified, approved and confirmed, as to defects and irregularities which may otherwise exist on account of their appointment and qualification: Provided, however, That nothing herein contained shall be construed to excuse a criminal act.

Acts 1958, c. 14; Acts 1960, c. 19; Acts 1965, c. 134.

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

Library References

Counties ⟹47.
Municipal Corporations ⟹166.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 70 to 73.
C.J.S. Municipal Corporations §§ 369 to 371.

§ 16–13A–24. Acceptance of loans, grants or temporary advances

Any public service district created pursuant to the provisions of this article is authorized and empowered to accept loans or grants and procure loans or temporary advances evidenced by notes or other negotiable instruments issued in the manner, and subject to the privileges and limitations, set forth with respect to bonds authorized to be issued under the provisions of this article, for the purpose of paying part or all of the cost of construction or acquisition of water systems, sewage systems, stormwater systems or stormwater management systems or gas facilities, or all of these, and the other purposes herein authorized, from any authorized agency or from the United States of America or any federal or public agency or department of the United States or any private agency, corporation or individual, which loans or temporary advances, including the interest thereon, may be repaid out of the proceeds of the bonds authorized to be issued under the provisions of this article, the revenues of the said water system, sewage system, stormwater system or associated stormwater management system or gas facilities, or grants to the public service district from any authorized agency or from the United States of America or any federal or public agency or department of the United States or from any private agency, corporation or individual or from any combination of such sources of payment, and to enter into the necessary contracts and agreements to carry out the purposes hereof with any authorized agency or the United States of America or any federal or public agency or department of the United States, or with any private agency, corporation or individual. Any other provisions of this article to the contrary notwithstanding, interest on any such loans or temporary

advances may be paid from the proceeds thereof until the maturity of such notes or other negotiable instrument.

Acts 1958, c. 14; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 118; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐149.
Municipal Corporations ⇐864(3).
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 185, 187.
C.J.S. Municipal Corporations §§ 1583 to 1585, 1587.

Notes of Decisions

In general 1

1. In general

The borrowing by PSD's of money from counties and/or municipalities, as evidenced by a note, is permissible borrowing under this section. 62 W.Va. Op.Atty.Gen. 27 (May 6, 1988) 1988 WL 483331.

§ 16-13A-25. Borrowing and bond issuance; procedure

(a) Notwithstanding any other provisions of this article to the contrary, a public service district may not borrow money, enter into contracts for the provision of engineering, design or feasibility studies, issue or contract to issue revenue bonds or exercise any of the powers conferred by the provisions of section thirteen, twenty or twenty-four of this article without the prior consent and approval of the Public Service Commission: *Provided*, That approval of funding set forth in section eleven, article two, chapter twenty-four of this code or this section is not required if the funding is for a project which has received a certificate of public convenience and necessity after the eighth day of July, two thousand five, from the commission and where the cost of the project changes but the change does not affect the rates established for the project.

(b) The Public Service Commission may waive the provision of prior consent and approval for entering into contracts for engineering, design or feasibility studies pursuant to this section for good cause shown which is evidenced by the public service district filing a request for waiver of this section stated in a letter directed to the commission with a brief description of the project, a verified statement by the board members that the public service district has complied with chapter five-g of this code, and further explanation of ability to evaluate their own engineering contract, including, but not limited to:

(1) Experience with the same engineering firm; or

(2) Completion of a construction project requiring engineering services. The district shall also forward an executed copy of the engineering contract to the commission after receiving approval of the waiver.

(c) An engineering contract that meets one or more of the following criteria is exempt from the waiver or approval requirements:

(1) A contract with a public service district that is a Class A utility on the first day of April, two thousand three, or subsequently becomes a Class A utility as defined by commission rule;

(2) A contract with a public service district that does not require borrowing and that can be paid out of existing rates;

(3) A contract where the payment of engineering fees are contingent upon the receipt of funding, and commission approval of the funding, to construct the project which is the subject of the contract; or

(4) A contract that does not exceed fifteen thousand dollars.

(d) Requests for approval or waivers of engineering contracts shall be deemed granted thirty days after the filing date unless the staff of the Public Service Commission or a party files an objection to the request. If an objection is filed, the Public Service Commission shall issue its decision within one hundred twenty days of the filing date. In the event objection is received to a request for a waiver, the application shall be considered a request for waiver as well as a request for approval in the event a waiver is not appropriate.

(e) Unless the properties to be constructed or acquired represent ordinary extensions or repairs of existing systems in the usual course of business, a public service district must first obtain a certificate of public convenience and necessity from the Public Service Commission in accordance with the provision of chapter twenty-four of this code when a public service district is seeking to acquire or construct public service property.

Acts 1969, 1st Ex. Sess., c. 6; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1996, c. 213, eff. 90 days after March 9, 1996; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2003, c. 184, eff. 90 days after March 7, 2003; Acts 2005, c. 193, eff. 90 days after April 9, 2005; Acts 2006, c. 190, eff. 90 days after March 10, 2006.

Library References

Counties ⚷114.
Municipal Corporations ⚷270.
Public Utilities ⚷145.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 161.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Research References

ALR Library

101 ALR 5th 287, Remedies for Sewage Treatment Plant Alleged or Deemed to be Nuisance.

Notes of Decisions

In general 1
Certificate of public convenience and necessity 2

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1. In general

Proposed sewage treatment project complied with buffer zone requirements where all parties acknowledged that distance of proposed sewage lagoons from property owners' home was further than minimum buffer-zone requirement of 300 feet; Public Service Commission relied on ample evidence in record to support claim that proposed location was both cost-effective and environmentally sound. Code, 16-13A-25, 24-2-11, 24-2-11(a). Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305.
Municipal Corporations ⚷ 708

2. Certificate of public convenience and necessity

Public Service district must obtain certificate of public convenience and necessity before it can acquire or construct public service property. Code, 16-13A-25. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305.
Public Utilities ⚷ 113

West's

Annotated Code of West Virginia

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

Chapter 16

2015
Cumulative Annual Pocket Part

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12

action, as long as such actions are not contrary to any rules or orders of the Public Service Commission.

(n) A municipality which has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community shall prepare an annual report detailing the collection and expenditure of rates, fees or charges and make it available for public review at the place of business of the governing body and the stormwater utility main office.

Acts 1955, c. 135; Acts 1967, c. 105; Acts 1994, c. 61; Acts 2001, c. 212, eff. 90 days after April 14, 2001; Acts 2008, c. 202, eff. March 8, 2008.

ARTICLE 13A

PUBLIC SERVICE DISTRICTS

Section		Section	
16–13A–1a.	Jurisdiction of the Public Service Commission.	16–13A–9.	Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.
16–13A–3.	District to be a public corporation and political subdivision; powers thereof; public service boards.	16–13A–18a.	Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds.
16–13A–4.	Board chairman; members' compensation; procedure; district name.	16–13A–25.	Borrowing and bond issuance; procedure.
16–13A–7.	Acquisition and operation of district properties.		

§ 16–13A–1a. Jurisdiction of the Public Service Commission

The jurisdiction of the Public Service Commission relating to public service districts shall be expanded to include the following powers and the powers shall be in addition to all other powers of the Public Service Commission set forth in this code:

(a) To study, modify, approve, deny or amend the plans created under section one-b of this article for consolidation or merger of public service districts and their facilities, personnel or administration;

(b) To petition the appropriate circuit court for the removal of a public service district board member or members; and

(c) To create by general order a separate division within the Public Service Commission to provide assistance to public service districts in technological, operational, financial and regulatory matters, including, upon written request of the public service board, assistance to the board in deliberations regarding a proposed rate change or project.

Acts 1986, c. 81; Acts 2015, c. 196, eff. June 12, 2015.

§ 16–13A–3. District to be a public corporation and political subdivision; powers thereof; public service boards

From and after the date of the adoption of the order creating any public service district, it is a public corporation and political subdivision of the state, but without any power to levy or collect ad valorem taxes. Each district may acquire, own and hold property, both real and personal, in its corporate name, and may sue, may be sued, may adopt an official seal and may enter into contracts necessary or incidental to its purposes, including contracts with any city, incorporated town or other municipal corporation located within or without its boundaries for furnishing wholesale supply of water for the distribution system of the city, town or other municipal corporation, or for furnishing storm water services for the city, town or other municipal corporation, and contract for the operation, maintenance, servicing, repair and extension of any properties owned by it or for the operation and improvement or extension by the district of all or any part of the existing municipally owned public service properties of any city, incorporated town or other municipal corporation included within the district: *Provided,* That no contract shall extend beyond a maximum of forty years, but provisions may

be included therein for a renewal or successive renewals thereof and shall conform to and comply with the rights of the holders of any outstanding bonds issued by the municipalities for the public service properties.

The powers of each public service district shall be vested in and exercised by a public service board consisting of not less than three members who shall be persons residing within the district, who possess certain educational, business or work experience which will be conducive to operating a public service district. In the event the public service district is providing any utility service and billing rates and charges to its customers, at least one board member shall be a rate-paying residential customer of the public service district: *Provided*, That if an existing public service board does not have a member who is a rate-paying residential customer of the public service district on July 1, 2013, the next following appointment to the board shall be a rate-paying residential customer of that public service district. For purposes of this section, "rate-paying residential customer" means a person who:

(1) In the case of a water or sewer public service district, is physically connected to and actively receiving residential public service district utility services; or

(2) In the case of a storm water public service district, has storm water conveyed away from the residential property by a utility owned system; and

(3) Has an active account in good standing and is the occupier of the residential property which is on the public service district utility service account.

Each board member shall, within six months of taking office, successfully complete the training program to be established and administered by the Public Service Commission in conjunction with the Department of Environmental Protection and the Bureau for Public Health. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the district nor shall a former board member be hired by the district in any capacity within a minimum of twelve months after board member's term has expired or such board member has resigned from the district board. The members shall be appointed in the following manner:

Each city, incorporated town or other municipal corporation having a population of more than three thousand but less than eighteen thousand is entitled to appoint one member of the board, and each city, incorporated town or other municipal corporation having a population in excess of eighteen thousand shall be entitled to appoint one additional member of the board for each additional eighteen thousand population. The members of the board representing such cities, incorporated towns or other municipal corporations shall be residents thereof and shall be appointed by a resolution of the governing bodies thereof and upon the filing of a certified copy or copies of the resolution or resolutions in the office of the clerk of the county commission which entered the order creating the district, the persons so appointed become members of the board without any further act or proceedings. If the number of members of the board so appointed by the governing bodies of cities, incorporated towns or other municipal corporations included in the district equals or exceeds three, then no further members shall be appointed to the board and the members so appointed are the board of the district except in cases of merger or consolidation where the number of board members may equal five.

If no city, incorporated town or other municipal corporation having a population of more than three thousand is included within the district, then the county commission which entered the order creating the district shall appoint three members of the board, who are persons residing within the district and residing within the State of West Virginia, which three members become members of the board of the district without any further act or proceedings except in cases of merger or consolidation where the number of board members may equal five.

If the number of members of the board appointed by the governing bodies of cities, incorporated towns or other municipal corporations included within the district is less than three, then the county commission which entered the order creating the district shall appoint such additional member or members of the board, who are persons residing within the district, as is necessary to make the number of members of the board equal three except in

cases of merger or consolidation where the number of board members may equal five, and the member or members appointed by the governing bodies of the cities, incorporated towns or other municipal corporations included within the district and the additional member or members appointed by the county commission as aforesaid, are the board of the district. A person may serve as a member of the board in one or more public service districts.

The population of any city, incorporated town or other municipal corporation, for the purpose of determining the number of members of the board, if any, to be appointed by the governing body or bodies thereof, is the population stated for such city, incorporated town or other municipal corporation in the last official federal census.

Notwithstanding any provision of this code to the contrary, whenever a district is consolidated or merged pursuant to section two of this article, the terms of office of the existing board members shall end on the effective date of the merger or consolidation. The county commission shall appoint a new board according to rules promulgated by the Public Service Commission. Whenever districts are consolidated or merged no provision of this code prohibits the expansion of membership on the new board to five.

The respective terms of office of the members of the first board shall be fixed by the county commission and shall be as equally divided as may be, that is approximately one third of the members for a term of two years, a like number for a term of four years, the term of the remaining member or members for six years, from the first day of the month during which the appointments are made. The first members of the board appointed as aforesaid shall meet at the office of the clerk of the county commission which entered the order creating the district as soon as practicable after the appointments and shall qualify by taking an oath of office: *Provided,* That any member or members of the board may be removed from their respective office as provided in section three-a of this article.

Any vacancy shall be filled for the unexpired term within thirty days; otherwise successor members of the board shall be appointed for terms of six years and the terms of office shall continue until successors have been appointed and qualified. All successor members shall be appointed in the same manner as the member succeeded was appointed. The district shall provide to the Public Service Commission, within thirty days of the appointment, the following information: The new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board. The Public Service Commission shall notify each new board member of the legal obligation to attend training as prescribed in this section.

The board shall organize within thirty days following the first appointments and annually thereafter at its first meeting after January 1 of each year by selecting one of its members to serve as chair and by appointing a secretary and a treasurer who need not be members of the board. The secretary shall keep a record of all proceedings of the board which shall be available for inspection as other public records. Duplicate records shall be filed with the county commission and shall include the minutes of all board meetings. The treasurer is lawful custodian of all funds of the public service district and shall pay same out on orders authorized or approved by the board. The secretary and treasurer shall perform other duties appertaining to the affairs of the district and shall receive salaries as shall be prescribed by the board. The treasurer shall furnish bond in an amount to be fixed by the board for the use and benefit of the district.

The members of the board, and the chair, secretary and treasurer thereof, shall make available to the county commission, at all times, all of its books and records pertaining to the district's operation, finances and affairs, for inspection and audit. The board shall meet at least monthly.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1983, c. 166; Acts 1986, c. 81; Acts 1994, c. 61; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2013, c. 163, eff. July 1, 2013.

§ 16–13A–4. Board chairman; members' compensation; procedure; district name

(a) The chairman shall preside at all meetings of the board and may vote as any other member of the board. If the chairman is absent from any meeting, the remaining members

may select a temporary chairman and if the member selected as chairman resigns as such or ceases for any reason to be a member of the board, the board shall select one of its members as chairman to serve until the next annual organization meeting.

(b) Salaries of the board members are:

(1) For districts with fewer than six hundred customers, up to $100 per attendance at regular monthly meetings and $75 per attendance at additional special meetings, total salary not to exceed $2,000 per annum;

(2) For districts with six hundred customers or more but fewer than two thousand customers, up to $125 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $3,250 per annum;

(3) For districts with two thousand customers or more, but fewer than four thousand customers, up to $150 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $4,500 per annum; and

(4) For districts with four thousand or more customers, up to $200 per attendance at regular monthly meetings and $150 per attendance at additional special meetings, total salary not to exceed $6,400 per annum.

The public service district shall certify the number of customers served to the Public Service Commission on July 1 of each fiscal year.

(c) Public service districts selling water to other water utilities for resale or public service districts which provide sewer treatment for other sewer utilities may adopt the following salaries for its board members:

(1) For districts with annual revenues of less than $50,000, up to $100 per attendance at regular monthly meetings and $75 per attendance at additional special meetings, total salary not to exceed $2,000 per annum;

(2) For districts with annual revenues of $50,000 or more, but less than $250,000, up to $125 per attendance at regular monthly meetings and $100 per attendance at special meetings, total salary not to exceed $3,250 per annum;

(3) For districts with annual revenues of $250,000 or more, but less than $500,000, up to $150 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $4,500 per annum; and

(4) For districts with annual revenues of $500,000 or more, up to $200 per attendance at regular monthly meetings and $150 per attendance at additional special meetings, total salary not to exceed $6,400 per annum.

The public service district shall certify the number of customers served and its annual revenue to the Public Service Commission on July 1 of each fiscal year.

(d) Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties as provided by the rules of the board. Notwithstanding any other provision of this code to the contrary, board members are not eligible for salary payment or reimbursement for expenses incurred prior to the public service district initiating service to its first customer. Salary and reimbursement for expenses may be incurred only at meetings occurring after the public service district initiated service to customers.

(e) The board shall by resolution determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meetings may be called. Public notice of meetings shall be given in accordance with section three, article nine-a, chapter six of this code. Emergency meetings may be called as provided by that section. A majority of the members constituting the board also constitute a quorum to do business.

(f) The members of the board are not personally liable or responsible for any obligations of the district or the board, but are answerable only for willful misconduct in the performance of their duties. The county commission which created a district or county commissions if more than one created the district may, upon written request of the district, adopt an order changing the official name of a public service district: *Provided*, That the name change will not be effective until approved by the Public Service Commission of West Virginia and the

owners of any bonds and notes issued by the district, if any, shall have consented, in writing, to the name change. If a district includes territory located in more than one county, the county commission or county commissions changing the name of the district shall provide any county commission into which the district also extends with a certified copy of the order changing the name of the district. The official name of any district created under the provisions of this article may contain the name or names of any city, incorporated town or other municipal corporation included therein or the name of any county or counties in which it is located.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2000, c. 199, eff. 90 days after March 11, 2000; Acts 2005, c. 196, eff. 90 days after April 8, 2005; Acts 2013, c. 163, eff. July 1, 2013.

§ 16–13A–7. Acquisition and operation of district properties

The board of these districts shall have the supervision and control of all public service properties acquired or constructed by the district, and shall have the power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those activities necessary to comply with all federal and state requirements, including water quality improvement activities. All contracts involving the expenditure by the district of more than $25,000 for construction work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after notice inviting bids shall have been published as a Class I legal advertisement in compliance with the provision of article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in section two of this article in the county or counties in which the district is located. The publication shall not be less than ten days prior to the making of any such contract. To the extent allowed by law, in-state contractors shall be given first priority in awarding public service district contracts. It shall be the duty of the board to ensure that local in-state labor shall be utilized to the greatest extent possible when hiring laborers for public service district construction or maintenance repair jobs. It shall further be the duty of the board to encourage contractors to use American made products in their construction to the extent possible. Any obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the meaning of any of the provisions or limitations of the Constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the public service properties of the district or from proceeds of bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies or for furnishing the district with electrical energy or power shall be entered into for a longer period than fifteen years.

Acts 1953, c. 147; Acts 1967, c. 105; Acts 1981, c. 124; Acts 1982, c. 24; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2011, c. 147, eff. June 9, 2011.

§ 16–13A–9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees

(a)(1) The board may make, enact and enforce all needful rules in connection with the acquisition, construction, improvement, extension, management, maintenance, operation, care, protection and the use of any public service properties owned or controlled by the district. The board shall establish, in accordance with this article, rates, fees and charges for the services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other law or laws, to pay the cost of maintenance, operation and depreciation of the public service properties and principal of and interest on all bonds issued, other obligations incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration domestic, commercial, industrial and public use of water and gas;

(B) The number and kind of fixtures connected with the facilities located on the various premises;

(C) The number of persons served by the facilities;

(D) Any combin

(E) May be det to be fair and rea the nature and ex charges for stor easements or sto Division of Highw

(2) The board customers and an combined service enactment or ame rules shall provide

(A) Adequate p notice of intent to customers of the change is to be be

(B) Adequate p be published as a provisions of artic shall be all territo county, publicatio district provides s

(C) The public and the proposed public hearing or places within the s public. A reasona be made available may appear at the rates, fees and cha

(D) The propos at least two weeks with or following

(E) Rates, fees forwarded in writ commission shall advertisement in Within forty-five commission shall forty-five days, un by the board or unless extended b and the appointm

(F) Enactment the county commis The 45-day waiting commission finds waiting period, we compliant public s

(3) Where wate furnished to any aggregate of the furnished by the a tenant or an ow shall state the nam district. Notwith

(D) Any combination of paragraphs (A), (B) and (C) of this subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises served and the nature and extent of the services and facilities furnished. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways.

(2) The board of a public service district with at least four thousand five hundred customers and annual combined gross revenue of $3 million or more from its separate or combined services may make, enact and enforce all needful rules in connection with the enactment or amendment of rates, fees and charges of the district. At a minimum, these rules shall provide for:

(A) Adequate prior public notice of the contemplated rates, fees and charges by causing a notice of intent to effect such a change to be specified on the monthly billing statement of the customers of the district for the month next preceding the month in which the contemplated change is to be before the board on first reading.

(B) Adequate prior public notice of the contemplated rates, fees and charges by causing to be published as a Class I legal advertisement of the proposed action, in compliance with the provisions of article three, chapter fifty-nine of the code. The publication area for publication shall be all territory served by the district. If the district provides service in more than one county, publication shall be made in a newspaper of general circulation in each county that the district provides service.

(C) The public notice of the proposed action shall state the current rates, fees and charges and the proposed changes to said rates, fees and charges; the date, time and place of both a public hearing on the proposal and the proposed final vote on adoption; and the place or places within the district where the proposed rates, fees and charges may be inspected by the public. A reasonable number of copies of the proposal shall be kept at the place or places and be made available for public inspection. The notice shall also advise that interested parties may appear at the public hearing before the board and be heard with respect to the proposed rates, fees and charges.

(D) The proposed rates, fees and charges shall be read at two meetings of the board with at least two weeks intervening between each meeting. The public hearing may be conducted with or following the second reading.

(E) Rates, fees and charges approved by an affirmative vote of the board shall be forwarded in writing to the county commission appointing the approving board. The county commission shall publish notice of the proposed rates, fees and charges by a Class 1 legal advertisement in compliance with the provisions of article three, chapter fifty-nine of the code. Within forty-five days of receipt of the proposed rates, fees and charges, the county commission shall take action to approve or reject the proposed rates, fees and charges. After forty-five days, the proposed rates, fees and charges shall be effective with no further action by the board or county commission. In any event, this 45–day period shall be mandatory unless extended by the official action of both the board proposing the rates, fees and charges, and the appointing county commission.

(F) Enactment of the proposed rates, fees and charges shall follow an affirmative vote by the county commission and shall be effective no sooner than forty-five days following action. The 45–day waiting period may be waived by public vote of the county commission only if the commission finds and declares the district to be in financial distress such that the 45–day waiting period would be detrimental to the ability of the district to deliver continued and compliant public services.

(3) Where water, sewer, stormwater or gas services, or any combination thereof, are all furnished to any premises, the schedule of charges may be billed as a single amount for the aggregate of the charges. The board shall require all users of services and facilities furnished by the district to designate on every application for service whether the applicant is a tenant or an owner of the premises to be served. If the applicant is a tenant, he or she shall state the name and address of the owner or owners of the premises to be served by the district. Notwithstanding the provisions of section eight, article three, chapter twenty-four of

this code to the contrary, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage of the applicant's specific customer class or $50, with the district to secure the payment of service rates, fees and charges in the event they become delinquent as provided in this section. If a district provides both water and sewer service, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage for water service or $50 and the greater of a sum equal to two twelfths of the average annual usage for wastewater service of the applicant's specific customer class or $50. In any case where a deposit is forfeited to pay service rates, fees and charges which were delinquent at the time of disconnection or termination of service, no reconnection or reinstatement of service may be made by the district until another deposit equal to the greater of a sum equal to two twelfths of the average usage for the applicant's specific customer class or $50 has been remitted to the district. After twelve months of prompt payment history, the district shall return the deposit to the customer or credit the customer's account at a rate as the Public Service Commission may prescribe: *Provided*, That where the customer is a tenant, the district is not required to return the deposit until the time the tenant discontinues service with the district. Whenever any rates, fees, rentals or charges for services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The board may, under reasonable rules promulgated by the Public Service Commission, shut off and discontinue water or gas services to all delinquent users of either water or gas facilities, or both, ten days after the water or gas services become delinquent: *Provided, however*, That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the board to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(b) In the event that any publicly or privately owned utility, city, incorporated town, other municipal corporation or other public service district included within the district owns and operates separately water facilities, sewer facilities or stormwater facilities and the district owns and operates another kind of facility, either water or sewer, or both, as the case may be, then the district and the publicly or privately owned utility, city, incorporated town or other municipal corporation or other public service district shall covenant and contract with each other to shut off and discontinue the supplying of water service for the nonpayment of sewer or stormwater service fees and charges: *Provided*, That any contracts entered into by a public service district pursuant to this section shall be submitted to the Public Service Commission for approval. Any public service district which provides water and sewer service, water and stormwater service or water, sewer and stormwater service has the right to terminate water service for delinquency in payment of water, sewer or stormwater bills. Where one public service district is providing sewer service and another public service district or a municipality included within the boundaries of the sewer or stormwater district is providing water service and the district providing sewer or stormwater service experiences a delinquency in payment, the district or the municipality included within the boundaries of the sewer or stormwater district that is providing water service, upon the request of the district providing sewer or stormwater service to the delinquent account, shall terminate its water service to the customer having the delinquent sewer or stormwater account: *Provided, however*, That any termination of water service must comply with all rules and orders of the Public Service Commission: *Provided further*, That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the public service districts to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(c) Any district furnishing sewer facilities within the district may require or may, by petition to the circuit court of the county in which the property is located, compel or may require the Division of Health to compel all owners, tenants or occupants of any houses, dwellings and buildings located near any sewer facilities where sewage will flow by gravity or be transported by other methods approved by the Division of Health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code, from the houses, dwellings or buildings into the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from the

houses, dwellings and buildings where there is gravity flow or transportation by any other methods approved by the Division of Health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one of this chapter and the houses, dwellings and buildings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the sewer facilities provided for in this subsection is necessary and essential for the health and welfare of the inhabitants and residents of the districts and of the state. If the public service district requires the property owner to connect with the sewer facilities even when sewage from dwellings may not flow to the main line by gravity and the property owner incurs costs for any changes in the existing dwellings' exterior plumbing in order to connect to the main sewer line, the public service district board shall authorize the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, installation, operation, maintenance and purchase of a pump or any other method approved by the Division of Health. Maintenance and operation costs for the extra installation should be reflected in the users charge for approval of the Public Service Commission. The circuit court shall adjudicate the merits of the petition by summary hearing to be held not later than thirty days after service of petition to the appropriate owners, tenants or occupants.

(d) Whenever any district has made available sewer facilities to any owner, tenant or occupant of any house, dwelling or building located near the sewer facility and the engineer for the district has certified that the sewer facilities are available to and are adequate to serve the owner, tenant or occupant and sewage will flow by gravity or be transported by other methods approved by the Division of Health from the house, dwelling or building into the sewer facilities, the district may charge, and the owner, tenant or occupant shall pay, the rates and charges for services established under this article only after thirty days' notice of the availability of the facilities has been received by the owner, tenant or occupant. Rates and charges for sewage services shall be based upon actual water consumption or the average monthly water consumption based upon the owner's, tenant's or occupant's specific customer class.

(e) The owner, tenant or occupant of any real property may be determined and declared to be served by a stormwater system only after each of the following conditions is met: (1) The district has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community, as defined in 40 C. F. R. § 122.26; (2) the district's authority has been properly expanded to operate and maintain a stormwater system; (3) the district has made available a stormwater system where stormwater from the real property affects or drains into the stormwater system; and (4) the real property is located in the Municipal Separate Storm Sewer System's designated service area. It is further hereby found, determined and declared that the mandatory use of the stormwater system is necessary and essential for the health and welfare of the inhabitants and residents of the district and of the state. The district may charge and the owner, tenant or occupant shall pay the rates, fees and charges for stormwater services established under this article only after thirty days' notice of the availability of the stormwater system has been received by the owner. An entity providing stormwater service shall provide a tenant a report of the stormwater fee charged for the entire property and, if appropriate, that portion of the fee to be assessed to the tenant.

(f) All delinquent fees, rates and charges of the district for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, school and municipal taxes. Nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the public service districts to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill. In addition to the other remedies provided in this section, public service districts are granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of delinquent water, sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its customer or other responsible party, the district shall pay to the magistrate the normal filing fee and reasonable costs which were previously deferred. In addition, each public service district may exchange with other public service districts a list of delinquent accounts: *Provided*, That an owner of real property may not be held liable for the delinquent

rates or charges for services or facilities of a tenant, nor may any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of the real property unless the owner has contracted directly with the public service district to purchase the services or facilities.

(g) Anything in this section to the contrary notwithstanding, any establishment, as defined in section three, article eleven, chapter twenty-two of this code, now or hereafter operating its own sewage disposal system pursuant to a permit issued by the Department of Environmental Protection, as prescribed by section eleven of said article, is exempt from the provisions of this section.

(h) A public service district which has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community shall prepare an annual report detailing the collection and expenditure of rates, fees or charges and make it available for public review at the place of business of the governing body and the stormwater utility main office.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1989, c. 174; Acts 1994, c. 61; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2003, c. 183, eff. 90 days after March 8, 2003; Acts 2008, c. 202, eff. March 8, 2008; Acts 2010, c. 201, eff. June 11, 2010; Acts 2015, c. 196, eff. June 12, 2015.

§ 16–13A–15. Bonds may be secured by trust indenture

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

§ 16–13A–18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds

In any case where a public service district owns a water, sewer, stormwater or gas system, and a majority of not less than sixty percent of the members of the public service board thereof deem it for the best interests of the district to sell, lease or rent such water, sewer, stormwater or gas system to any municipality or privately-owned water, sewer, stormwater or gas system, or to any water, sewer, stormwater or gas system owned by an adjacent public service district, the board may so sell, lease or rent such water, sewer, stormwater or gas system upon such terms and conditions as said board, in its discretion, considers in the best interests of the district: *Provided*, That such sale, leasing or rental may be made only upon: (1) The publication of notice of a hearing before the board of the public service district, as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, in a newspaper published and of general circulation in the county or counties wherein the district is located, such publication to be made not earlier than twenty days and not later than seven days prior to the hearing; (2) approval by the county commission or commissions of the county or counties in which the district operates; and (3) approval by the public service commission of West Virginia.

In the event of any such sale, the proceeds thereof, if any, remaining after payment of all outstanding bonds and other obligations of the district, shall be ratably distributed to any persons who have made contributions in aid of construction of such water, sewer, stormwater or gas system, such distribution not to exceed the actual amount of any such contribution, without interest, and any balance of funds thereafter remaining shall be paid to the county commission of the county in which the major portion of such water, sewer, stormwater or gas system is located to be placed in the general funds of such county commission: *Provided*, That no such distribution shall be required in the case of a sale between political subdivisions of the state.

Acts 1963, c. 75; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 160, eff. 90 days after April 10, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2014, c. 183, eff. June 6, 2014.

§ 16–13A–25. Borrowing and bond issuance; procedure

A public service district has plenary power to borrow money, enter into contracts for the provision of engineering, design or feasibility studies, issue or contract to issue revenue bonds

or exercise any of the powers conferred by the provisions of section thirteen, twenty or twenty-four of this article. Upon written request of the public service board contemplating such transaction or project, the Public Service Commission shall provide technical support to the public service board, including, but not limited to, engineering, design and financial analysis of the proposed transaction or project.

Acts 1969, 1st Ex. Sess., c. 6; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1996, c. 213, eff. 90 days after March 9, 1996; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2003, c. 184, eff. 90 days after March 7, 2003; Acts 2005, c. 193, eff. 90 days after April 9, 2005; Acts 2006, c. 190, eff. 90 days after March 10, 2006; Acts 2015, c. 196, eff. June 12, 2015.

Research References

ALR Library

101 ALR 5th 287, Remedies for Sewage Treatment Plant Alleged or Deemed to be Nuisance.

ARTICLE 13D

REGIONAL WATER AND WASTEWATER AUTHORITY ACT

§ 16–13D–11. Bonds may be secured by trust indenture

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

ARTICLE 13E

COMMUNITY ENHANCEMENT ACT

Section	
16–13E–2.	Definitions.
16–13E–4.	Petition for creation or expansion of community enhancement district; petition requirements.
16–13E–8.	Notice to property owners of assessments; correcting and laying assessments; report on project completion; credits.
16–13E–10a.	Extension of vesting period for land development plans and plats; approval of phases.

§ 16–13E–2. Definitions

For purposes of this article:

(a) "Assessment bonds" means special obligation bonds or notes issued by a community enhancement district which are payable from the proceeds of assessments.

(b) "Assessment" means the fee, including interest, paid by the owner of real property located within a community enhancement district to pay for the cost of a project or projects constructed upon or benefitting or protecting such property and administrative expenses related thereto, which fee is in addition to all taxes and other fees levied on the property.

(c) "Board" means a Community Enhancement Board created pursuant to this article.

(d) "Community enhancement district" or "district" means a community enhancement district created pursuant to this article.

(e) "Cost" means the cost of:

(1) Construction, reconstruction, renovation and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements and interests acquired or to be acquired by the district;

(2) All machinery and equipment, including machinery and equipment needed to expand or enhance county or city services to the district;

STATE OF WEST VIRGINIA,
COUNTY OF NICHOLAS, ss:

IN THE COUNTY COURT THEREOF.

ORDER CREATING

WILDERNESS PUBLIC SERVICE DISTRICT

IN NICHOLAS COUNTY, WEST VIRGINIA

****

WHEREAS, the County Court of Nicholas County, West Virginia, did heretofore fix a date for a public hearing on the creation of the proposed Wilderness Public Service District, and in and by notice published, provide that all persons residing in or owning or having any interest in property in the proposed public service district might appear before the County Court at this meeting and have the opportunity to be heard for and against the creation of said district; and,

WHEREAS, notice of this hearing was duly given in the manner provided and required by said order and by Article 13A of Chapter 16 of the West Virginia Code, and all interested parties having been afforded an opportunity of being heard for and against the creation of said district, but no written protest has been filed by the requisite number of qualified voters registered and residing within said proposed public service district and said County Court has given due consideration to all matters for which such hearing was offered; and,

WHEREAS, it is now deemed desirable by the said County Court to enter an order creating said district:

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Court of Nicholas County, West Virginia, as follows:

Section 1. That a public service district within

Nicholas County, West Virginia, is hereby created and said district shall have the following boundaries:

Beginning at a point in the center of Gauley River, more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following said County line to the mouth of Anglins Creek; thence leaving said River and County line and up Anglins Creek with its meanderings thereof to the mouth of Dorsey Brance; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; thence with West Virginia County Road Number 13 to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 26; thence leaving said roads and down and with a right hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said Creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving said high water mark and with said District line and down and with the center of Gauley River, more or less, to the place of beginning.

Containing an area of approximately 23,406 acres and the communities of Mt. Nebo, Mt. Lookout, Runa, and Pool, among others, all within Wilderness Magisterial District of Nicholas County, State of West Virginia.

Section 2. That said public service district so created shall have the name and corporate title of "Wilderness Public Service District" and shall constitute a public corporation and political sub-division of the State of West Virginia, having all of the rights and powers conferred on public service districts by the laws of the State of West Virginia, and particularly Article 13A of Chapter 16 of the West Virginia Code.

Section 3. That the County Court of Nicholas County, West Virginia, has determined that the territory within Nicholas County, West Virginia, having the above described boundaries is so situated that the construction or acquisition by purchase or otherwise and the maintenance, operation, improvement and extension of properties supplying water services within such territory by said public service district will be conducive to the preservation of public health, comfort, and convenience of said area.

Given under our hands this the 7th day of April, 1975.

President

R. B. Campbell
Commissioner

Morris McKinney
Commissioner

STATE OF WEST VIRGINIA,
COUNTY OF NICHOLAS, ss:

I, Spurgeon Hinkle, Jr., hereby certify that I am the duly qualified and acting Clerk of the County Court of Nicholas County, West Virginia, and that the foregoing constitutes a true, correct, and complete transcript of the proceedings of said County Court as had under date of April , 1975, and an order then adopted relating to the creation of the Wilderness Public Service District, all as shown by the official records in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the seal of the Court at Summersville, West Virginia, this 7 day of April, 1975.

Clerk, County Court

(SEAL)

CERTIFIED A TRUE COPY:

Attest: Spurgeon Hinkle
Clerk

By
Deputy

STATE OF WEST VIRGINIA
COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

O R D E R

WHEREAS, pursuant to a Class I legal notice, a public hearing was held in the matter of the proposed boundary change of the Wilderness Public Service District, to include certain areas around Meadow River and Nallen in Fayette and Nicholas Counties; and,

WHEREAS, said public hearing was conducted on Wednesday, January 8, 1992 at 9:30 a.m., in the office of the Nicholas County Commission, Nicholas County Courthouse, Summersville, West Virginia, for the express purpose of public comment on the proposed boundary change; and,

WHEREAS, it was noted that present for the hearing was W. D. Amick, Chairman, Wilderness Public Service District and Attorney Timothy Ruckman, Counsel for said District, and further that no other persons appeared to offer input into this matter.

THEREFORE, upon motion made by President Don McClung and seconded by Commissioner Lloyd Paxton, with motion passing unanimously, the following boundary change was so Ordered by the Nicholas County Commission.

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following Fayette and Nicholas County Line to a point where Fayette County Route 41/1 comes down to River Side. Thence up said route across CSX Railroad Tracks and thence leaving said Route 41/1 and paralleling CSX Railroad Tracks at an offset of 500' west of said tract centerline to a point in line with Greenbrier, Nicholas County Line. Then in a eastward direction across Route 41, across CSX Railroad Track across Meadow River to said County Line and up said line to, and following first right fork of Miller Creek; thence leaving Miller Creek and crossing Nicholas County Rt. 41/10 and paralleling Rt. 41 offset 1000' feet east of said road and across 41/9 and continuing at an 500' offset from Rt. 41 to Anglins Creek with its meanderings thereof to the mouth of Dorsey Branch; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; Thence with West Virginia County Road Number

13 to the intersection of West Virginia County Road Number 13 and West Virginia Road Number 26; thence leaving said roads and down and with a right-hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point 500 feet north of picnic area on west shore of Battle Run Cove; thence leaving this high water mark following and 500 feet on north side of West Virginia County Road to a point 1,200 feet from and on east side of West Virginia County Road Number 9; thence following West Virginia County Road Number 9 and 1,200 feet on east side of said road 3,700 feet to a point; thence proceeding along a line perpendicular to centerline of said road and crossing said road to a point 1,200 feet on the west side of said road; thence following said road and 1,200 feet on west side of said to a point on State Route 129 near Zoar Church and 1,200 feet from Keslers Cross Lanes Intersection: thence following State Route 129 from said intersection and 1,200 feet on west side of said route to a point 1, 200 feet from intersection of said route and West Virginia Secondary Route 23 and 1,200 feet on the west side of said route to a point 700 feet from boundary line of Carnifex Ferry State Park, thence leaving West Virginia Secondary Route 23 and proceeding to a point being the northeast corner of the Carnifex Ferry State Park; thence proceeding to the southeast corner along State Park property line; thence following a straight line to the place of beginning containing 27,654 acres, more or less shown on the attached map to this Order.

Entered this 22 day of January, 1992

Don McClung President

W. Don Hartley, Commissioner

Lloyd G. Paxton, Commissioner

Approved:

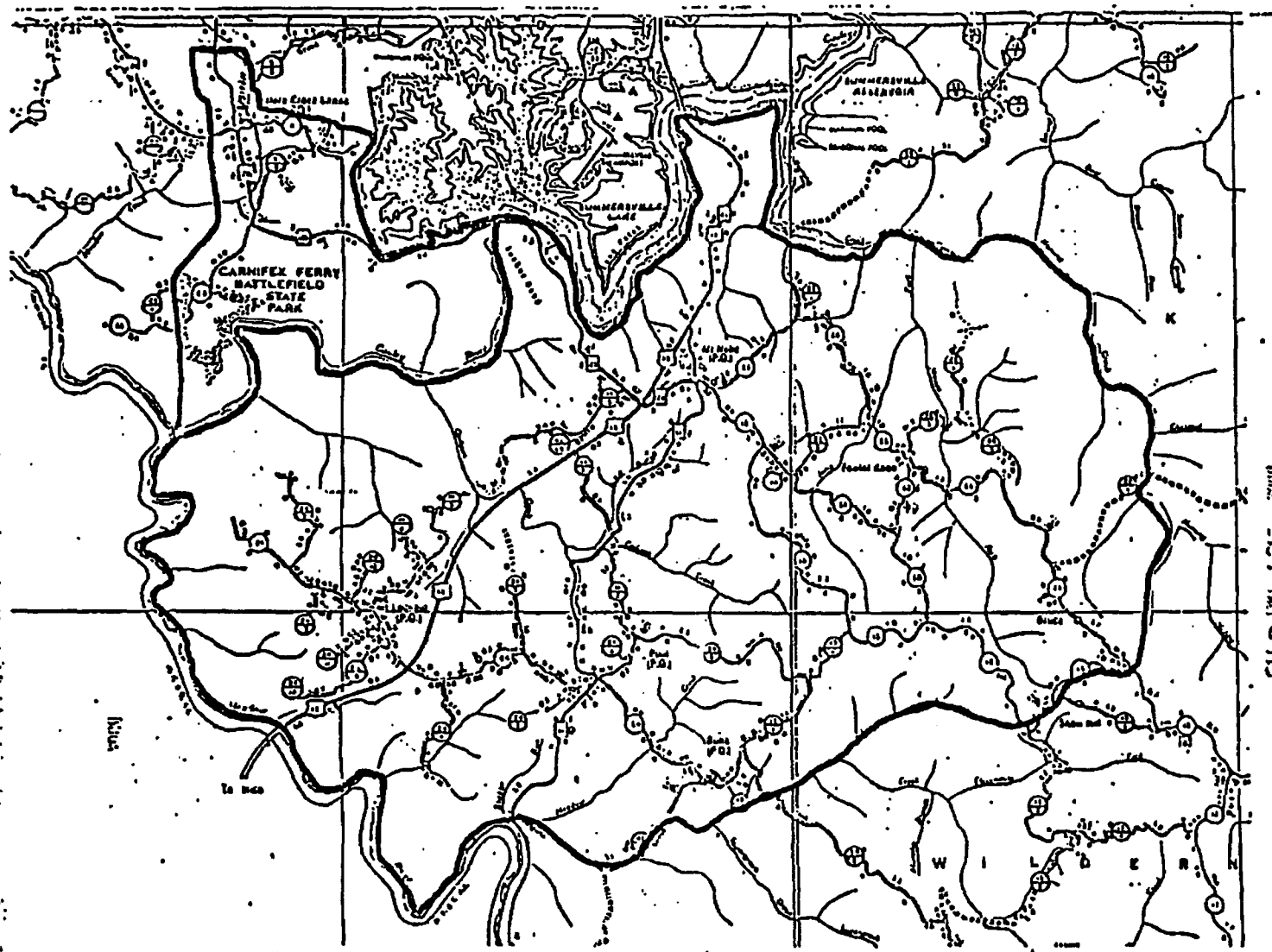
Prosecuting Attorney

0031 742

CERTIFIED A TRUE COPY:

Attest Clerk

By Deputy



NICHOLAS COUNTY
WILDERNESS PUBLIC SERVICE DISTRICT

CERTIFIED A TRUE COPY:
Attest: Clerk
By: Deputy

Book 572

RESOLUTION

The Nicholas County Commission met in regular session at the Courthouse on Wednesday, August 31, 1983.

Upon motion made by Commissioner Lay and seconded by President Cutlip, and which motion passing unanimously, the following Resolution was adopted.

That the Wilderness Public Service District be expanded to include certain areas of federal land in and around the Summersville Dam and Keslers Cross Lanes, and;

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following said County line to the mouth of Anglins Creek; thence leaving said River and County line and up Anglins Creek with its meanderings thereof to the mouth of Dorsey Branch; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; thence with West Virginia County Road Number 13 to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 26; thence leaving said roads and down and with a right-hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said Creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point

500 feet north of picnic area on west shore of Battle Run Cove; thence leaving this high water mark following and 500 feet on north side of West Virginia County Road to a point 1,200 feet from and on east side of West Virginia County Road Number 9; thence following West Virginia County Road Number 9 and 1,200 feet on east side of said road 3,700 feet to a point; thence proceeding along a line perpendicular to centerline of said road and crossing said road to a point 1,200 feet on the west side of said road; thence following said road and 1,200 feet on west side of said to a point on State Route 129 near Zoar Church and 1,200 feet from Keslers Cross Lanes Intersection; thence following State Route 129 from said intersection and 1,200 feet on west side of said route to a point 1,200 feet from intersection of said route and West Virginia secondary Route 23; thence following West Virginia Secondary Route 23 and 1,200 feet on the west side of said route to a point 700 feet from boundary line of Carnifex Ferry State Park, thence leaving West Virginia Secondary Route 23 and proceeding to a point being the northeast corner of the Carnifex Ferry State Park; thence proceeding to the southeast corner along State Park property line; thence following a straigt line to the place of beginning containing 27,014 acres, more or less shown on the attached map to this resolution to be made a part of same.

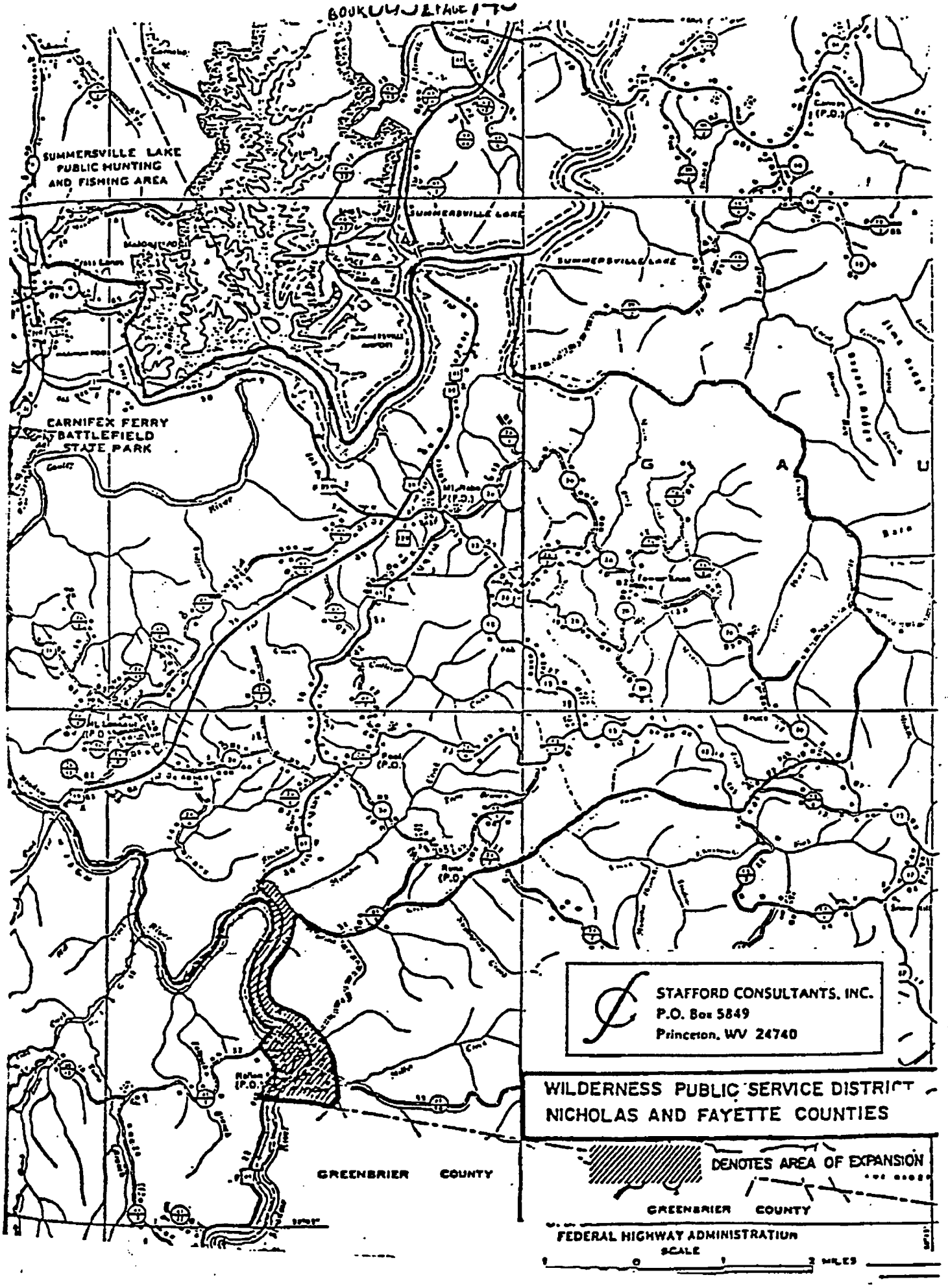
Given under our hands this 31 day of August, 1983.

BOOK 627 PAGE 571

Shirley J. Cutlip, President

Carroll T. Lay, Commissioner

W. Don Hartley, Commissioner


SUMMERSVILLE LAKE
PUBLIC HUNTING
AND FISHING AREA
SUMMERSVILLE LAKE
SUMMERSVILLE LAKE
CARNIFEX FERRY
BATTLEFIELD
STATE PARK
G A U
STAFFORD CONSULTANTS, INC.
P.O. Box 5849
Princeton, WV 24740
WILDERNESS PUBLIC SERVICE DISTRICT
NICHOLAS AND FAYETTE COUNTIES
GREENBRIER COUNTY
DENOTES AREA OF EXPANSION
GREENBRIER COUNTY
FEDERAL HIGHWAY ADMINISTRATION
SCALE
1 0 1 2 MILES

NOTICE OF PUBLIC HEARING ON ENLARGING ITS BOUNDARIES

OF WILDERNESS PUBLIC SERVICE DISTRICT

The Nicholas County Commission will hold a public hearing in the Courtroom of the Courthouse, Summersville, Nicholas County, West Virginia, on Wednesday, January 8, 1992 at 9:30 a.m., for the purpose of public comment on the proposed boundary change of the Wildnerness Public Service District, to include certain areas around Meadow River and Nallen in Fayette and Nicholas Counties.

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following Fayette and Nicholas County Line to a point where Fayette County Route 41/1 comes down to River Side. Thence up said route across CSX Railroad Tracks and thence leaving said Route 41/1 and paralleling CSX Railroad Tracks at an offset of 500' west of said tract centerline to a point in line with Greenbrier, Nicholas County Line. Then in a eastward direction across Route 41, across CSX Railroad Track across Meadow River to said County Line and up said line to, and following first right fork of Miller Creek; thence leaving Miller Creek and crossing Nicholas County Rt. 41/10 and paralleling Rt. 41 offset 1000' feet east of said road and across 41/9 and continuing at an 500' offset from Rt. 41 to Anglins Creek with its meanderings thereof to the mouth of Dorsey Branch; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; Thence with West Virginia County Road Number 13 to the intersection of West Virginia County Road Number 13 and West Virginia Road Number 26; thence leaving said roads and down with a right-hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point 500 feet north of picnic area on west shore of Battle Run Cove; thence leaving this high water mark following and 500 feet on north side of West Virginia County Road to a point 1,200 feet from and on east side of West Virginia County Road Number 9; thence following West Virginia County Road Number 9 and 1,200 feet on east side of said road 3,700 feet to a point; thence proceeding along a line perpendicular to centerline of said road and crossing said road to a point 1,200 feet on the west side of said road; thence following said road and 1,200 feet on west side of said to a point on State Route 129 near Zoar Church and 1,200 feet from Keslers Cross Lanes Intersection; thence following State Route 129 from said intersection and 1,200 feet on west side of said route to a point 1,200 feet from intersection of said route and West Virginia Secondary Route 23 and 1,200 feet on the west side of said route to a point 700 feet from boundary line of Carnifex Ferry State Park, thence leaving West Virginia Secondary Route 23 and proceeding

to a point being the northeast corner of the Carnifex Ferry State Park; thence proceeding to the southeast corner along State park property line; thence following a straight line to the place of beginning containing 27,654 acres, more or less.

By resolution of the Nicholas County Commission entered on the 4th day of December, 1991, as received by the Fayette County Commission on the 13th day of December, 1991.

FAYETTE COUNTY COMMISSION

John L. Witt, President
John H. Lopez, Commissioner
Gene Carte, Jr., Commissioner

PUBLIC SERVICE COMMISSION OF W. VA.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
FEB 24 1992
LEGAL DIVISION
RECEIVED

FINAL STAFF INTERNAL MEMORANDUM

DATE: February 19, 1992

TO: Joe Watkins, Staff Attorney
Legal Division

FROM: William A. Nelson, Utility Financial Analyst WAN
Public Service District Division

RE: Case No. 92-0087-PSWD-PC
Nicholas County Commission

On January 24, 1992, the Nicholas County Commission filed a petition to expand the boundaries of the Wilderness Public Service District to include certain areas around Meadow River and Nallen in Nicholas and Fayette Counties. This boundary enlargement is being requested pursuant to West Virginia Code §16-13A-2.

The County Commission conducted a public hearing on January 8, 1992, in their office, in the Nicholas County Courthouse to hear public comment on the proposed boundary adjustment. No persons appeared to offer input or oppose the matter. Thus, the County Commission adopted and entered an Order to enlarge Wilderness Public Service District's boundaries by those metes and bounds set forth in the proposed Order.

The Nicholas County Commission in its adoption of the boundary enlargement Order has complied with all requirements of West Virginia Code §16-13A-2.

Staff recommends the Nicholas County Commission's Order to enlarge the Wilderness Public Service District's boundaries be approved.

WAN:pla

FINAL JOINT STAFF MEMORANDUM

TO: HOWARD M. CUNNINGHAM
Executive Secretary

DATE: May 5, 1992

FROM: J. JOSEPH WATKINS
Staff Attorney

SUBJECT: CASE NO. 92-0087-PSWD-PC
NICHOLAS COUNTY COMMISSION

Attached is a Final Staff Internal Memorandum from William A. Nelson, Utility Financial Analyst, Public Service District Division. As stated in Mr. Nelson's Memorandum and as noted on the record at the April 23, 1992, hearing in this proceeding, Staff recommends approval of the Nicholas County Commission's January 24, 1992, petition.

RECEIVED
92 MAY -6 PM 1:47
W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

JJW/mh
Attachment

REH RCH/SH
for ALS

920087

RESOLUTION

IN: COUNTY COMMISSION OF FAYETTE COUNTY

RE: APPROVAL OF PROPOSED BOUNDARY CHANGE OF THE WILDERNESS PUBLIC SERVICE DISTRICT TO INCLUDE CERTAIN AREAS AROUND MEADOW RIVER AND NALLEN IN FAYETTE AND NICHOLAS COUNTIES

WHEREAS: A representative of the Wilderness Public Service District appeared and presented a proposed amendment to enlarge the boundary of the service area in connection with an extension project for said Public Service District to include certain areas around Meadow River and Nallen in Fayette and Nicholas Counties; and

WHEREAS: The County Commission of Nicholas County did approve said proposed expansion and did duly notify the County Commission of Fayette County of a public hearing regarding the matter to be held at 9:30 A.M. on January 8, 1992, in the Courtroom of the Courthouse, Summersville, Nicholas County, West Virginia; and

WHEREAS: The County Commission of Fayette acting in accordance with §16-13A-2 of the Code of West Virginia, as amended, did publish notice of said hearing as a Class I legal advertisement in the Fayette Tribune, and did further post said notice in the Nallen Post Office, the Miller Baptist Church, the Asphalt Plant, the Russellville Independent Baptist Church, and the Brecken's Creek Methodist Church; and

WHEREAS: No persons appeared to oppose said expansion;

NOW THEREFORE BE IT HEREBY RESOLVED THAT: The members of the County Commission of Fayette County do hereby find that the expansion of the Wilderness Public Service District in connection with an extension project to include certain areas around Meadow River and Nallen in Fayette and Nicholas Counties will be conducive to the preservation of the public health, comfort, and convenience of said area and furthermore do hereby approve said expansion to include that certain area of Fayette County.

This resolution not having been presented on January 8, 1992, is entered nunc pro tunc.

COUNTY COMMISSION OF FAYETTE COUNTY

John L. Witt, President

John H. Lopez, Commissioner

Gene Carte, Jr., Commissioner

NICHOLAS COUNTY COMMISSION

700 MAIN STREET, SUITE 1
SUMMERSVILLE, WEST VIRGINIA 26651
ncc_pattyneff@yahoo.com
www.nicholascountywv.org

KEN ALTIZER, President
JOHN R. MILLER, Commissioner
LYLE NEAL, Commissioner

TELEPHONE: (304) 872-7830
FAX: (304) 872-9602

April 07, 2015

David Sizemore
Post Office Box 220
Mount Nebo, West Virginia 26679

Dear Mr. Sizemore:

Please regard this letter as confirmation of your reappointment to the Board of Directors of the Wilderness Public Service District. Your term of office will expire on April 1, 2021. I am forwarding your Oath of Office and Certificate. Please execute this before a Notary and return this document to our office at your earliest convenience.

If for any reason you are unable to serve in this capacity, please notify our office at your earliest convenience.

Sincerely,

Ken Altizer
Commissioner

attachment: Oath of Office and Certificate

cc: Wilderness PSD

BOARD OF DIRECTORS
WILDERNESS PUBLIC SERVICE DISTRICT
January 23, 2015

L. Alan Whittington, Chairman
PO Box 301
Mount Nebo WV 26679
304-619-3310 Cell

Todd L. Dean, Treasurer
PO Box 285
Mount Lookout WV 26678
304-872-4176 Home
304-640-6970 Cell
304-465-0941 Work
tdean2@verizon.net

David Sizemore, Board Member
PO Box 220
Mount Nebo WV 26679
304-872-4442 Home/Bus. 304-880-3098 Cell
carnifexdave@gmail.com

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS

IN THE COUNTY COMMISSION THEREOF

ORDER

WHEREAS, the County Commission of Nicholas County, West Virginia, did heretofore, by an Order entered and adopted, create the Wilderness Public Service District; and,

WHEREAS, under the provisions of Article 13A of Chapter 16 of the Code of West Virginia, the powers of said public service district shall be vested in and exercised by a public service board; and,

WHEREAS, since there is no city, incorporated town or other municipal corporation included within said district, it is provided by said Article 13A of Chapter 16 of the Code of West Virginia that this County Commission shall appoint members to said board who shall be persons residing within the district; and,

WHEREAS, Board Member Charles Eary submitted his resignation from the Wilderness Public Service District effective April 24, 2010; and,

WHEREAS, the said County Commission finds that it is proper and desirable to appoint David Sizemore to fill the unexpired term of Charles Eary to the Wilderness Public Service District, effective June 04, 2010 with a term of office ending April 1, 2015.

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Commission of Nicholas County, West Virginia that David Sizemore is a person residing within the boundaries of Wilderness Public Service District and he is hereby appointed as a member of the WildernessPublic Service District with term of office expiring April 1, 2015.

Entered this 04 day of June, 2010.

Spurgeon Hinkle, President

Bill O'Dell, Commissioner

Yancy Short, M.D., Commissioner

BOOK 044PG 117

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS

IN THE COUNTY COMMISSION THEREOF

ORDER

WHEREAS, the County Commission of Nicholas County, West Virginia, did heretofore, by an Order entered and adopted, create the Wilderness Public Service District; and,

WHEREAS, under the provisions of Article 13A of Chapter 16 of the Code of West Virginia, the powers of said public service district shall be vested in and exercised by a public service board; and,

WHEREAS, since there is no city, incorporated town or other municipal corporation included within said district, it is provided by said Article 13A of Chapter 16 of the Code of West Virginia that this County Commission shall appoint members to said board who shall be persons residing within the district; and,

WHEREAS, the said County Commission finds that it is proper and desirable to reappoint Todd Dean with a term of office ending April 1, 2017.

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Commission of Nicholas County, West Virginia that Todd Dean is a person residing within the boundaries of Wilderness Public Service District and he is hereby reappointed as a member of the Wilderness Public Service District with term of office expiring April 1, 2017.

Entered this 15 day of March, 2011.

Birl O'Dell, President

Yancy Short, M.D., Commissioner

John R. Miller, Commissioner

BOOK 044PG 239

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

ORDER

WHEREAS, the County Commission of Nicholas County, West Virginia, did heretofore, by an Order entered and adopted, create the Wilderness Public Service District; and,

WHEREAS, under the provisions of Article 13A of Chapter 16 of the Code of West Virginia, the powers of said public service district shall be vested in and exercised by a public service board; and,

WHEREAS, since there are no city, incorporated town or other municipal corporation included within said district, it is provided by said Article 13A of Chapter 16 of the Code of West Virginia that this County Commission shall appoint members of said board who shall be persons residing within the district; and,

WHEREAS, the said County Commission found that it was proper and desirable to reappoint Al Whittington to the Wilderness Public Service District with term of office ending April 1, 2019 as conveyed in the Minutes of the Nicholas County Commission dated March 19, 2013.

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Commission of Nicholas County, West Virginia that Al Whittington is a person residing within the boundaries of Wilderness Public Service District and he is hereby appointed as a member of the Wilderness Public Service District with term of office expiring April 1, 2019.

Entered this 19 day of March 19, 2013.

Yancy Short, M.D., President

BOOK 45PG 205

John R. Miller, Commissioner

Ken Altizer, Commissioner

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as a board member of the ***Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Signature of Affiant

Subscribed and sworn to before me in said County and State this 14th day of April, 2015

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
DEBBIE A. GILBERT
3[illegible] MEADOW SIDE RD.
SUMMERSVILLE, WV 26651
My commission expires November 16, 2018

Notary Public

My Commission Expires: Nov. 16, 2018

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as a board member of the ***Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Signature of Affiant

Subscribed and sworn to before me in said County and State this 25th day of June, 2018

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DEBBIE A. GILBERT
PO BOX 222
MT. NEBO, WV 26679
My commission expires November 16, 2018

Debbie A. Gilbert
Notary Public

My Commission Expires: Nov. 16, 2018

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as a board member of the ***Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Signature of Affiant
Todd Dean

Subscribed and sworn to before me in said County and State this 21st day of April, 2011.

Debbie A. Gilbert
Notary Public

My Commission Expires: Nov. 16, 2018

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as a board member of the ***Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Signature of Affiant

Subscribed and sworn to before me in said County and State this 12th day of April, 2013

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
DEBBIE A. GILBERT
[illegible] SIDE RD.
[illegible]LE, WV [illegible]51
My commission expires November 16, 2018

Notary Public

My Commission Expires: Nov. 16, 2018

MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
January 15, 2015

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, January 15, 2015, at 10:00 a.m. The meeting was held at the Wilderness PSD office at 589 Riviera Rd, Mt. Nebo, Nicholas County, WV. Those in attendance were: Al Whittington, Chairman; Todd Dean, Treasurer; Dave Sizemore, Board Member; Scott Rader, Chief Operator; and Debbie Gilbert, Executive Secretary.

Minutes - The minutes from the previous regular meeting were unanimously approved on a motion made by Todd and seconded by Dave.

Disbursements - The December 2014 disbursements in the amount of $89,676.33 were unanimously approved on a motion made by Dave and seconded by Todd.

Reports - The Board reviewed and unanimously approved the balance sheet, profit & loss statement, bank statements, over-time report and water loss report for December 2014, on a motion made by Todd and seconded by Dave.

OLD BUSINESS

Whitewater Interconnection/Mt.Lookout Upgrade/Sludge Disposal - Ed Shutt, Stafford Consultants; Leslie Taylor, Region IV; and Arnold Nicholas, Whitewater Rd resident attended the meeting. The next conference call is scheduled for Friday, January 23, 2015 at 10:00 a.m. with the project team. The purchase agreement for the tank site property has been signed by Wilma Champe and she will be signing the deed at Greg's office by end of the week. The deed for the booster station site has been secured and recorded. Ed reviewed the preliminary design plans and will have all necessary information for the Rule 42 to Rod by Jan. 16. The "Intergovernmental Agreement" was sent to Gauley River PSD for review and approval. Debbie will follow up with Juanita on the status. Leslie will be updating the Schedule B per the Jan. 15 conference call and submit to all on Jan. 16. There was discussion with Ed regarding additional engineering fees for environmental clearances and scope changes at the plant. Ed will provide the Board with a detailed breakdown on the additional costs to be negotiated. Ed stated that the project should still go to bid by March 4, 2015. Ed will let Greg know to include the bid date and loan closing date in the cover letter for the PSC filing.

The Board reviewed Resolution #9 in the amount of $9,247.73 and unanimously approved such, on a motion made by Todd and seconded by Dave.

Rate Increase - The PSC staff recommended rates have been approved by the Administrative Law Judge. New rates will apply starting with February 2015 billing.

Election of Officers – The Board unanimously approved a motion made by Dave and seconded by Todd to keep current officers.

Bank Accounts - The Board unanimously approved moving the collections, security deposits, and repair/replace bank accounts from BB&T to Community Trust Bank, on a motion made by Todd and seconded by Dave. Debbie will initiate paper work with Community Trust Bank for signatures. Signatures for the resolution will be Debbie Gilbert, L. Alan Whittington, Todd A. Dean, and W. Dave Sizemore. Checks will require two signatures.

There being no further business, the meeting adjourned. The next regular meeting is scheduled for 10:00 a.m., February 19, 2015 at the Wilderness PSD office in Mt. Nebo, WV.

L. Alan Whittington, Chairman	***Debbie A. Gilbert, Secretary***
February 19, 2015	***February 19, 2015***

MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
February 19, 2015

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, February 19, 2015, at 10:00 a.m. The meeting was held at the Wilderness PSD office at 589 Riviera Rd, Mt. Nebo, Nicholas County, WV. Those in attendance were: Al Whittington, Chairman; Todd Dean, Treasurer; Dave Sizemore, Board Member; Scott Rader, Chief Operator; and Debbie Gilbert, Executive Secretary.

Minutes - The minutes from the previous regular meeting were unanimously approved on a motion made by Todd and seconded by Dave.

Disbursements - The January 2015 disbursements in the amount of $88,310.83 were unanimously approved on a motion made by Dave and seconded by Todd.

Reports - The Board reviewed and unanimously approved the balance sheet, profit & loss statement, bank statements, over-time report and water loss report for January 2015, on a motion made by Todd and seconded by Dave.

OLD BUSINESS

Whitewater Interconnection/Mt.Lookout Upgrade/Sludge Disposal - Arnold Nicholas, Whitewater Rd resident attended the meeting. The next conference call is scheduled for February 20, 2015 with the project team. Final plans were received. The Health Permit has been received. The deed for the tank site has been secured and recorded. The "Application for Convenience and Necessity" has been filed with the PSC. The "Water Purchase Agreement" with Gauley River PSD should be ready to send to Gauley River next week for approval at their March 12 board meeting. The Board reviewed the AE Amendment No. 2, which reflected an increase of $2,190 for Easement Maps, a decrease of $1,810 for Property Surveys, a decrease of $1,000 for condemnation, and an increase of $13,790 for Archeological Survey, for a total adjusted agreement amount of $13,170.00. The Board unanimously approved the AE Amendment No. 2 on a motion made by Dave and seconded by Todd.

Bank Change - The accounts have been established at Community Trust Bank. Checks and deposit tickets have been ordered. Merchant Services is scheduled to be setup next week.

NEW BUSINESS

Policy Updates - The Board unanimously approved the updated "Main Line Extensions" and "Leak Adjustment" policies on a motion made by Todd and seconded by Dave.

Kendall Spooner - Facilities Access Issue - The Board reviewed the correspondence from Kendall Spooner regarding the District's employees being allowed reasonable access to its facilities located within Mr. Spooner's property. Mr. Spooner has gated his property and the District has requested to put a lock thru his lock in order to access meter and main lines. Mr. Spooner wants a phone call so he can unlock the gate whenever access is needed. It was the unanimous consensus of the Board that Mr. Spooner adhere to the same established procedure of lock thru lock, that the District has in place for all other gated properties. The Board deemed that it is not reasonable to expect the staff to keep track of phone numbers and have to make phone calls prior to accessing its facilities. On a motion made by Dave and seconded by Todd, the Board unanimously approved sending Mr. Spooner a letter stating that he either agree to the lock thru lock procedure or service will be terminated.

There being no further business, the meeting adjourned. The next regular meeting is scheduled for 10:00 a.m., March 19, 2015 at the Wilderness PSD office in Mt. Nebo, WV.

L. Alan Whittington, Chairman	***Debbie A. Gilbert, Secretary***
March 19, 2015	***March 19, 2015***

MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
March 19, 2015

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, March 19, 2015, at 10:00 a.m. The meeting was held at the Wilderness PSD office at 589 Riviera Rd, Mt. Nebo, Nicholas County, WV. Those in attendance were: Al Whittington, Chairman; Todd Dean, Treasurer; Dave Sizemore, Board Member; Scott Rader, Chief Operator; and Debbie Gilbert, Executive Secretary.

Minutes – The minutes from the previous regular meeting were unanimously approved on a motion made by Todd and seconded by Dave.

Disbursements – The February 2015 disbursements in the amount of $76,777.85 were unanimously approved on a motion made by Dave and seconded by Todd.

Reports – The Board reviewed and unanimously approved the balance sheet, profit & loss statement, bank statements, over-time report and water loss report for February 2015, on a motion made by Todd and seconded by Dave.

OLD BUSINESS

Whitewater Interconnection/Mt.Lookout Upgrade/Sludge Disposal – Ed Shutt, Stafford Consultants and Arnold Nicholas, Whitewater Rd resident attended the meeting. The next conference call is scheduled for March 27, 2015 at 2:00 p.m. with the project team. The "Water Purchase Agreement" with Gauley River PSD is still pending. The Board authorized Greg Tucker's office to send the latest revised "Water Purchase Contract" to Gauley River PSD requesting their review and written comments to the District and Greg's office as soon as possible and to also submit the contract to the Public Service Commission for their review and comments prior to the PSD's signatures and request the PSC establish a bulk rate per thousand gallons. The Board unanimously approved Resolution #10 in the amount of $16,414.93, on a motion made by Todd and seconded by Dave.

NEW BUSINESS

2016 Calendars - The Board unanimously approved the purchase of 1,800 2016 calendars at a cost of $.69 each, on a motion made by Todd and seconded by Dave. The cost will be billed July, 2015 and delivered in October, 2015. The $.69 price quote was for 1800 calendars but Debbie will request 1700 for the same price if possible.

Region IV Consolidated Project Priority List - The Board reviewed the priority list but had no update for this year.

There being no further business, the meeting adjourned. The next regular meeting is scheduled for 10:00 a.m., April 16, 2015 at the Wilderness PSD office in Mt. Nebo, WV.

L. Alan Whittington, Chairman	***Debbie A. Gilbert, Secretary***
April 16, 2015	***April 16, 2015***

MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
April 16, 2015

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, April 16, 2015, at 10:00 a.m. The meeting was held at the Wilderness PSD office at 589 Riviera Rd, Mt. Nebo, Nicholas County, WV. Those in attendance were: Al Whittington, Chairman; Todd Dean, Treasurer; Dave Sizemore, Board Member; Scott Rader, Chief Operator; and Debbie Gilbert, Executive Secretary.

Minutes – The minutes from the previous regular meeting were unanimously approved on a motion made by Todd and seconded by Dave.

Disbursements – The March 2015 disbursements in the amount of $91,923.60 were unanimously approved on a motion made by Dave and seconded by Todd.

Reports – The Board reviewed and unanimously approved the balance sheet, profit & loss statement, bank statements, over-time report and water loss report for March 2015, on a motion made by Todd and seconded by Dave.

OLD BUSINESS

Whitewater Interconnection/Mt.Lookout Upgrade/Sludge Disposal – Ed Shutt, Stafford Consultants; Leslie Taylor, Region IV; and Arnold Nicholas, Whitewater Rd resident attended the meeting. The next conference call is scheduled for June 2, 2015 at 10:00 a.m. with the project team. The Board unanimously approved the authorization to advertise for bids on a motion made by Todd and seconded by Dave. The Pre-Bid Conference is scheduled for May 14, 2015 at 10:00 a.m. and the bid opening is scheduled for May 29, 2015 at 11:00 a.m. The Board unanimously approved the "Water Purchase Agreement" with Gauley River PSD on a motion made by Todd and seconded by Dave. The Board unanimously approved the DWTRF Binding Commitment Letter on a motion made by Todd and seconded by Dave.

NEW BUSINESS

Preventive Maintenance for Generators - The Board unanimously approved a one year Preventive Maintenance Plan from Crosspoint, for five generators, at a total annual cost of $1,680.00, on a motion made by Todd and seconded by Dave.

Office/Shop Pavement Repair - The Board opted to have the broken up areas repaired. Debbie will get quote from David Bail.

Wilderness Land Co. Alternate Main Line Extension - The Board unanimously approved an Alternate Main Line Extension Agreement for Wilderness Land Co. in Mount Lookout, WV. The alternate main line extension consists of 3,840 feet of 2" SDR135 315psi pipe and will eventually serve approximately three customers. The agreement has been approved by the Public Service Commission.

There being no further business, the meeting adjourned. The next regular meeting is scheduled for 10:00 a.m., May 21, 2015 at the Wilderness PSD office in Mt. Nebo, WV.

L. Alan Whittington, Chairman	***Debbie A. Gilbert, Secretary***
May 21, 2015	***May 21, 2015***

MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
May 21, 2015

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, May 21, 2015, at 10:00 a.m. The meeting was held at the Wilderness PSD office at 589 Riviera Rd, Mt. Nebo, Nicholas County, WV. Those in attendance were: Al Whittington, Chairman; Todd Dean, Treasurer; Dave Sizemore, Board Member; Scott Rader, Chief Operator; and Debbie Gilbert, Executive Secretary.

Minutes – The minutes from the previous regular meeting were unanimously approved on a motion made by Todd and seconded by Dave.

Disbursements – The April 2015 disbursements in the amount of $76,948.80 were unanimously approved on a motion made by Dave and seconded by Todd.

Reports – The Board reviewed and unanimously approved the balance sheet, profit & loss statement, bank statements, over-time report and water loss report for April 2015, on a motion made by Todd and seconded by Dave.

OLD BUSINESS

Whitewater Interconnection/Mt.Lookout Upgrade/Sludge Disposal – Leslie Taylor, Region IV attended the meeting. The Board unanimously approved Resolution #11 in the amount of $14,515.55 on a motion made by Todd and seconded by Dave. This resolution closes out the DWTRF Forgivable Design Loan. The Board unanimously approved the amended accounting services agreement with Lowe and Associates, which would account for the $2,000.00 paid for the Preliminary Rule 42 provided in 2011, on a motion made by Dave and seconded by Todd. The Pre-Bid Conference was held May 14, 2015 at 10:00 a.m. The bid opening is scheduled for May 28, 2015 at 11:00 a.m. The next conference call is scheduled for June 2, 2015 at 10:00 a.m. with the project team.

NEW BUSINESS

Write Offs – The Board unanimously approved write offs in the amount of $2,733.08 on a motion made by Dave and seconded by Todd.

Uniforms - The Board unanimously approved the purchase of employee uniforms on a motion made by Dave and seconded by Todd at an approximate cost of $1,900.00

2015 - 2016 Fiscal Year Budget - The Board unanimously approved the 2015 - 2016 fiscal year budget, on a motion made by Todd and seconded by Dave. The budget included employee pay raises of 4% for management and 3% for all other employees.

There being no further business, the meeting adjourned. The next regular meeting is scheduled for 10:00 a.m., June 18, 2015 at the Wilderness PSD office in Mt. Nebo, WV.

L. Alan Whittington, Chairman	***Debbie A. Gilbert, Secretary***
June 18, 2015	***June 18, 2015***

MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
June 18, 2015

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, June 18, 2015, at 10:00 a.m. The meeting was held at the Wilderness PSD office at 589 Riviera Rd, Mt. Nebo, Nicholas County, WV. Those in attendance were: Al Whittington, Chairman; Todd Dean, Treasurer; Dave Sizemore, Board Member; Scott Rader, Chief Operator; and Debbie Gilbert, Executive Secretary.

Minutes - The minutes from the previous regular meeting and bid opening were unanimously approved on a motion made by Todd and seconded by Dave.

Disbursements - The May 2015 disbursements in the amount of $79,727.33 were unanimously approved on a motion made by Dave and seconded by Todd.

Reports - The Board reviewed and unanimously approved the balance sheet, profit & loss statement, bank statements, over-time report and water loss report for May 2015, on a motion made by Todd and seconded by Dave.

OLD BUSINESS

Whitewater Interconnection/Mt.Lookout Upgrade/Sludge Disposal - The bid opening was held May 28, 2015 at 11:00 a.m. Due to the overrun on Contract 3, cuts will be made via change order, which include the eliminating the portable backup generator, with the possibility of adding it back in later, and various plant sludge disposal revisions for a total of approximately $87,000. A letter requesting a $100,000.00 grant was sent to the WV IJDC for inclusion in their June 23rd funding meeting. DWTRF will fund the balance needed with a "forgivable loan" per Bob DeCrease. The Board reviewed the scope of work and funding changes and unanimously approved such, on a motion made by Todd and seconded by Dave. The revised Schedule B was unanimously approved on a motion made by Todd and seconded by Dave. The "Owner Cost Cutter Assurances Certification" and "Certification Regarding Debarment,

Suspension, and Other Responsibility Matters" was unanimously approved on a motion made by Todd and seconded by Dave. The Board also unanimously approved the authorization to award the contracts, subject to DWTRF authorization to award and funding, on a motion made by Todd and seconded by Dave. AML documents to initiate sub grant were unanimously approved on a motion made by Dave and seconded by Todd. There was discussion regarding the Whitewater booster station potential changes involving an in ground pit type like we currently have in the system and also a "dog house" type. If additional budgets cuts are needed, the booster station possible changes will be discussed in greater detail to determine type installed. The next conference call is scheduled for June 24, 2015 at 9:00 a.m. with the project team.

NEW BUSINESS

There was no new business.

There being no further business, the meeting adjourned. The next regular meeting is scheduled for 10:00 a.m., July 16, 2015 at the Wilderness PSD office in Mt. Nebo, WV.

L. Alan Whittington, Chairman	***Debbie A. Gilbert, Secretary***
July 16, 2015	***July 16, 2015***

RULES OF PROCEDURE

WILDERNESS PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: WILDERNESS PUBLIC SERVICE DISTRICT.

Section 2. The principal office of this Public Service District will be located on Route 129, Mt. Nebo, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Wilderness Public Service District, and in the center "seal" as follows:

Section 4: The fiscal year of the District shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II

PURPOSE

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Public Service Board of this District shall be those persons appointed by The County Commission of Nicholas County, West Virginia, or otherwise appointed pursuant to the Act, who shall serve for such terms as may be specified in the order of the County Commission or otherwise.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the third Thursday of each month at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, 2 members shall constitute a quorum. Each member of the Public Service Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise agreed, notice to members of regular meetings shall not be required. Unless otherwise waived, notice of each special meeting of the membership shall be given to all members by the Secretary by fax, telephone, mail or other satisfactory means at least 3 days before

the date fixed for such special meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the date, time, place and agenda of all regularly scheduled meetings of such Public Service Board, and the date, time, place and purpose of all special meetings of such Public Service Board, shall be made available, in advance, to the public and news media (except in the event of an emergency requiring immediate action) as follows:

A. Regular Meetings. A notice shall be posted and maintained by the Secretary of the Public Service Board of the Public Service District at the front door or bulletin board of the Nicholas County Courthouse and at the front door or bulletin board of the place fixed for regular meetings of the Public Service Board of the date, time and place fixed and entered of record by the Public Service Board 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 locations by the Secretary of the Public Service Board not less than 48 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. A notice shall be posted by the Secretary of the Public Service Board at the front door or bulletin board of the Nicholas County Courthouse and at the front door or bulletin board of the place fixed for the regular meetings of the Public Service Board not less than 48 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 cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

ARTICLE V

OFFICERS

Section 1. The officers of the Public Service Board shall be a Chairman, a Secretary and a Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person.

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first meeting held in such year. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and qualified. Any vacancy occurring among the officers shall be filled by the members of the Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. The Chairman shall, together with the Secretary, sign the minutes of all meetings at which he or she shall preside. The Chairman shall attend generally to the executive business of the Board and exercise such powers as may be conferred by the Board, by these Rules of Procedure, or as prescribed by law. The Chairman shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman, sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the minute book, be the custodian of the Common Seal of the District and all deeds and other writings and papers of the Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office or as may be conferred from time to time by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 3. The Treasurer shall be the lawful custodian of all funds of the District and shall disburse funds of the District on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman, Secretary or Treasurer is absent from any meeting, the remaining members of the Board shall select a temporary chairman, secretary or treasurer, as necessary, who shall have all of the powers of the absent officer during such period of absence.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

These Rules of Procedure may be altered, changed, amended, repealed or added to at any regular or special meeting of the Board by a majority vote of the entire Board, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change, alteration, amendment, repeal or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment, repeal or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

These Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the District.

Adopted this 19th day of April, 2001.

Secretary

04/17/01
972000/00001

CH444693.1

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
6/11/2015

Entered: May 22, 2015

CASE NO. 15-0230-PWD-CN

WILDERNESS PUBLIC SERVICE DISTRICT
a public utility, Mt. Nebo, Nicholas County.
Application for a certificate of convenience and necessity to upgrade and modernize an aging distribution system, increase storage capacity, add thirteen new customers (Whitewater Road), and allow the District to operate with Portable generators during power outages.

RECOMMENDED DECISION

This Order grants the application for a certificate of convenience and necessity.

PROCEDURE

On February 13, 2015, Wilderness Public Service District (Wilderness) filed a duly verified application for a certificate of convenience and necessity to upgrade and modernize an aging distribution system, increase storage capacity, add thirteen new customers along Whitewater Road, and to purchase and operate portable generators during power outages.

On February 23, 2015, the Commission entered an Order requiring Wilderness to give notice of the filing of its application to its customers.

On February 26, 2014, the Commission entered a Revised Commission Order which instructed Wilderness to notify its customers of its application.

On March 3, 2015, Wilderness filed its Rule 42 Exhibit for the fiscal year ended June 30, 2014.

On March 3, 2015, the Commission entered an Order referring the matter to the Administrative Law Judges (ALJ) Division for a recommended decision on or before June 29, 2015.

On March 11, 2015, Wilderness filed a Memorandum from Robert W. DeCrease, P.E., of the Drinking Water Treatment Revolving Fund which states that a review process indicated no significant environmental impact would result from an undertaking of Wilderness' project.

On March 12, 2015, Commission Staff (Staff) filed an Initial Joint Memorandum stating that Wilderness estimates the cost of construction will be approximately $2,562,682 and that the project was approved by the West Virginia Infrastructure and Jobs Development Council. Staff also indicated that Wilderness proposes to fund the project with a Drinking Water Treatment Revolving Fund Design Loan (DWTRF) in the amount of $143,924, a DWTRF loan in the amount of $1,905,856, a DWTRF forgivable loan in the amount of $356,076, a West Virginia Department of Environmental Protection Abandoned Mine Loan Grant (AML) in the amount of $151,826, and a contribution from Wilderness in the amount of $5,000. Finally, Staff recommended that Wilderness publish a copy of its notice of filing and file an affidavit of publication with the Commission.

On March 17, 2015, Wilderness filed an affidavit of publication with the Commission. The affidavit shows that publication was made in the Nicholas Chronicle, a weekly newspaper published and of general circulation in Nicholas County. The affidavit also shows that publication was made in that newspaper for a period of one week.

On May 5, 2015, Staff recommended approval of the Wilderness' application with a slight modification to Wilderness' revenue calculation. Whereas Wilderness' proposed increase in rates and charges of 9.18% would result in annual revenue of $89,000.00, Staff's recommended an increase of rates and charges of 9.18% would result in an annual revenue of $88,896, debt service coverage of 126.79%, and generates a surplus of $53,186. Staff also recommended its rates and charges become effective upon completion of the project

FINDINGS OF FACT

1. On February 13, 2015, Wilderness filed a duly verified application for a certificate of convenience and necessity to upgrade and modernize its aging distribution system, increase storage capacity, add thirteen new customers on Whitewater Road, and purchase portable generators. (Application).

2. No significant environmental impact will result from an undertaking of Wilderness' project. (Drinking Water Treatment Revolving Fund Correspondence filed March 11, 2015).

3. Wilderness estimated the cost of construction will be approximately $2,562,682 and be financed as follows: a cash contribution from Wilderness of $5,000, a DWTRF Design Loan for $143,924, a DWTRF Loan (0.5% interest, 0.5% administrative fee, for 30 years) for $1,905,856, a WVDEP-Abandoned Mines Loan grant of $151,826, and a DWTRF Forgivable loan of $356,076. (Staff's Initial Joint Memorandum filed March 12, 2015).

4. The project calls for the following to be undertaken: Pre-Construction: Contract One: in the Whitewater Road and Mt. Lookout areas approximately 3,085 L.F. of eight-inch

waterline, 7,875 L.F. of six-inch waterline, valves, hydrants, meter air releases, 100 gallons per minute booster station with telemetry, emergency generator, and miscellaneous appurtenances. Contract Two: in the Mt. Lookout area a 100,000 gallon water storage tank, mixing system, and various valves, meters, and fencing. Contract Three: at the existing water treatment plan along Route 41 along Meadow River, a 1,200 square foot pre-engineered building to house filter frame, pumps, tank and a portable emergency generator and a 100,000 gallon solids holding concrete tank, fencing and miscellaneous site work in Nicholas County, West Virginia, to furnish water service. (District's Notice filing of February 17, 2015).

5. The West Virginia Infrastructure and Jobs Development Council (WVIJDC) approved the project. (Staff's Initial Joint Memorandum of March 12, 2015).

6. Wilderness provided proper notice of its application. (Affidavits filed March 17, 2015 and March 24, 2015).

7. No protests were filed. (See, file generally).

8. The project includes constructing its Phase 1 interconnection with the Summersville Regional Water Treatment Plant via Gauley River PSD as recommended by the WVIJDC. The interconnection will secure access to the Summersville Regional Treatment plant to support growth in Wilderness. (Final Joint Staff Memorandum filed May 5, 2015).

9. Wilderness has and will experience continued growth, and the existing water treatment plant routinely exceeds 16 hours per day operating time. (Id.).

10. Construction will involve a distribution system to connect Wilderness' system to that of Gauley River Public Service District which will include approximately 7,800 feet of 6-inch, and 3,100 feet of 8-inch water line, and a 100 gallon per minute booster station with telemetry and power generators. The proposed interconnection will provide service to thirteen potential customers, nine of which have signed user agreements. (Id).

11. Wilderness will also construct a 100,000 gallon water storage tank to resolve issues with low pressure and inadequate storage capacity in the Mt. Lookout pressure zone, as cited in the State's Health Department Sanitary Survey. (Id).

12. Wilderness will also construct a filter solids press building at the water treatment plant to resolve the current practice of disposing of solids onsite without a permit. (Id.).

13. The total estimated project cost is $2,562,682, as Wilderness indicated, and will result in a cost per customer of $1,255 for 2,033 existing and nine new customers who have already signed user agreements. (Id).

14. The Engineering fees equate to 17.4% of construction cost which are within the guidelines of the American Society of Civil Engineers. (Id.).

15. Operation and maintenance expenses are expected to increase by $29,405 as a result of the project. (Id.).

16. The Staff-recommended rate will increase revenue by $88,896 or 9.18% and generate a surplus of $53,186 and results in 126.70% debt service coverage. Staff recommends those rates become effective upon completion of the project. (Id.).

17. The State Office of Environmental Health Services issued Permit No. 19,537 for the project. (Id.).

18. The plans and specifications for the project do not conflict with the Commission rules. (Id).

19. Staff recommends that the application be granted. (Id.).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the issuance of the Certificate to Wilderness to upgrade and modernize its aging distribution system, increase storage capacity, add thirteen new customers on Whitewater Road and purchase portable generators. W.Va. Code § 24-2-11.

2. It is reasonable to approve the financing for the project.

3. It is reasonable to approve Wilderness' proposed rates and charges, as revised and recommended by Staff, and are more particularly set forth in Appendix A, attached hereto, because the rates are reasonable, just, based primarily on the cost of providing service on substantial completion of the project.

4. It is reasonable and appropriate to grant Wilderness' application for a certificate without a public hearing because the project did not receive substantial protest.

ORDER

IT IS, THEREFORE, ORDERED that the application for a Certificate filed on February 13, 2015, by Wilderness Public Service District to upgrade and extend its water system be, and hereby is, granted, without need for a formal hearing.

IT IS FURTHER ORDERED that the project financing, consisting of the following: Wilderness Public Service District contribution of $5,000; DWTRF Design Loan of $143,924; DWTRF loan (0.5% interest, 0.5% administrative fee, for 30 years, 115% coverage) of $1,905,856; DWTRF forgivable loan of $356,076; and WV DEP-Abandoned Mines Loan (AML) grant of $151,826, is approved.

IT IS FURTHER ORDERED that the attached rates (Appendix A), be, and hereby are, approved to become effective for all service rendered by Wilderness on and after the date that the project is certified as substantially complete.

IT IS FURTHER ORDERED that, if there are any changes in the plans, financing or scope of the project or if a change in the project cost affects rates, Wilderness shall obtain Commission approval of such changes prior to commencing construction.

IT IS FURTHER ORDERED that, if there are any changes in project costs that do not affect rates, Wilderness shall file an affidavit executed by its certified public accountant verifying that the rates and charges are not be affected.

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

IT IS FURTHER ORDERED that Wilderness shall file an original and at least five (5) copies of a revised tariff setting forth the rates and charges approved herein, within thirty (30) days from the date that the project is certified as complete.

IT IS FURTHER ORDERED that Wilderness submit a certificate of substantial completion for each construction contract associated with the project as soon as it becomes available.

IT IS FURTHER ORDERED that Wilderness shall provide a copy of the Engineer's certificated bid tabulation(s) for all contracts to be awarded for the project as soon as they become available, but no later than ten days after the bid opening date.

IT IS FURTHER ORDERED that Wilderness shall file with the Commission copies of all other outstanding regulatory permits and approvals required for the construction of the project.

IT IS FURTHER ORDERED that this matter be, and hereby is, removed from the Commission's docket of open cases.

The Executive Secretary is ordered to serve this Order upon the Commission and its Staff by hand delivery, upon all parties of record who have filed an e-service agreement with the Commission by electronic service and upon all other parties by United States Certified Mail, return receipt requested.

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

If no exceptions are filed, this Order shall become the Order of the Commission, without further action or order, five days following the expiration of the fifteen day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions by filing an appropriate petition in writing with the Executive Secretary. No such waiver, however, will be effective until approved by order of the Commission.

Pancho G. Morris
Administrative Law Judge

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WILDERNESS PUBLIC SERVICE DISTRICT
CASE NO. 15-0230-PWD-CN

APPROVED RATES

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

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

RATES (Customers with metered water supply)

First	3,000 gallons used per month	$10.94 per 1,000 gallons
Next	3,000 gallons used per month	$10.08 per 1,000 gallons
Next	4,000 gallons used per month	$ 9.19 per 1,000 gallons
Next	15,000 gallons used per month	$ 8.09 per 1,000 gallons
Next	75,000 gallons used per month	$ 6.63 per 1,000 gallons
All Over	100,000 gallons used per month	$ 4.22 per 1,000 gallons

MINIMUM CHARGE

No minimum bill be rendered for less than the following, based on meter size:

5/8 -inch meter	$ 32.82 per month
3/4 -inch meter	$ 49.23 per month
1 -inch meter	$ 82.05 per month
1-1/4 -inch meter	$ 119.79 per month
1-1/2 -inch meter	$ 164.10 per month
2 -inch meter	$ 262.56 per month
3 -inch meter	$ 525.12 per month
4 -inch meter	$ 820.50 per month
6 -inch meter	$1,641.00 per month
8 -inch meter	$2,625.60 per month

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where appropriate.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the District, not to exceed $25.00, will be imposed upon any customer whose check for payment of charges is returned by his or her bank due to insufficient funds.

RECONNECTION

$20.00

To be charged whenever the supply of water is turned off for violations of rules, non-payment of bills, or fraudulent use of water.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant:

A tap fee of $350.00 will be charged to customers who apply for service outside of a certificate proceeding before the Commission for each new tap to the system.

LEAK ADJUSTMENT

$1.29 per 1,000 gallons is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

SECURITY DEPOSIT

Not to exceed two-twelfths (2/12) of the average annual usage of the applicant's specific customer class or fifty dollars, whichever is greater. This fee may be changed by applicable statutory provisions.

WEST VIRGINIA
Infrastructure & Jobs Development Council

March 4, 2015

Chairman
Wilderness Public Service District
P. O. Box 37
Mt. Nebo, WV 26679

Re: Wilderness Public Service District
Water Project 2012W-1375
Revised Funding Scenario/Project Cost Increase Approved

Dear Chairman:

On March 4, 2015, the West Virginia Infrastructure and Jobs Development Council reviewed and approved your request for a project cost increase and to amend the funding scenario for the above-referenced project (Project).

Below is revised funding information for this Project:
DWTRF Principal Forgiveness for Design – $143,924.00 – Committed
DWTRF Loan (1%, 30 yrs) – $1,905,856.00 – Recommended
DWTRF Principal Forgiveness – $356,076.00 – Recommended
AML Grant – $151,826.00 – Recommended
Wilderness PSD Grant – $5,000.00 – Recommended

Total project cost is $2,562,682.00. If you have any questions regarding this matter, please contact James W. Ellars, Executive Director, at (304) 414-6501 (X106).

Sincerely,

Jason Pizatella
Chairman

cc: Bob Decrease, BPH *(via e-mail)*
Lesley Taylor, Region IV P&DC *(via e-mail)*
Ed Shutt, Stafford Consultants *(via e-mail)*
Rod Lowe, Bassett & Lowe *(via e-mail)*
Jonathan Holbert, DEP-AML *(via e-mail)*

5-23-11

1009 Bullitt Street • Charleston, WV 25301-1003 • Phone (304) 414-6501 • Fax (304) 414-0866

www.wvinfrastructure.com

WEST VIRGINIA

Infrastructure & Jobs Development Council

July 14, 2015

Al Whittington
Wilderness PSD
P O Box 37
Mt. Nebo, WV 26679

Re: Wilderness PSD
Water Line Extension Project No. 2012W-1375
IJDC Binding Commitment
(Action Required by July 31,2015)

Dear Mr. Whittington:

At its July 8, 2015 meeting, the West Virginia Infrastructure and Jobs Development Council (Council) voted to provide this binding offer of a $100,000.00 Infrastructure Fund grant (Grant) for the above-named project (Project). The Grant will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Grant amount will be established after the Sponsor has received acceptable bids for the Project. The Council will set aside a portion of the Infrastructure Fund to make the Grant upon the Sponsor's compliance with the program requirements.

This binding commitment shall expire on July 8, 2016. If the Sponsor has any questions regarding this commitment, please contact James W. Ellars, Executive Director, at (304) 414-6501 (X106).

Sincerely,

Jason Pizatella
Chairman

cc: Robert DeCrease, West Virginia Bureau for Public Health (BPH)
Edward L. Shutt, Stafford Consultants, Inc.
Lesley Taylor, Region 4 - Planning & Development Council
Rod Lowe, Bassett & Lowe CPA

1009 Bullitt Street • Charleston, WV 25301-1003 • Phone (304) 414-6501 • Fax (304) 414-0866
www.wvinfrastructure.com

NOTE: **Please acknowledge receipt below, keep one original, and immediately return one copy to the Council.**

WILDERNESS PUBLIC SERVICE DISTRICT

By: _____

Its: Chairman

Date: 24 July 2015

Wilderness PSD
Water Project 2012W-1375

SCHEDULE A

A. Approximate Amount:

$0.00	Loan
$100,000.00	Grant
$100,000.00	Total

B. Grant: $100,000.00

1. Grant Advancement Date(s): Monthly, upon receipt of proper requisition.

2. Special Conditions: None

NOTICE: None

C. Other Funding:

DWTRF Loan	$1,905,856.00
DWTRF Design Grant	$143,924.00
DWTRF Princ Forgive	$464,715.00
AML Grant	$157,560.50
Wilderness PSD Grant	$5,000.00

D. Total Project Cost: $2,777,055.50

E. Proposed User Rates: Approximately 34.78 / 4,000 gallons

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

Earl Ray Tomblin
Governor

Karen L. Bowling
Cabinet Secretary

June 24, 2015

Mr. L. Alan Whittington, Chairman
Wilderness Public Service District
589 Riviera Drive
Mount Nebo, WV 26679-8277

RE: Wilderness PSD – White Water Road
Interconnection Project
DWTRF Funding Modification
IJDC Project No.: **2012W-1375**
DWTRF Project No.: **14DWTRFA009**
Nicholas County

Dear Mr. Whittington:

The Bureau for Public Health (Bureau) provided a binding commitment for a Drinking Water Treatment Revolving Fund (DWTRF) repayment loan of $1,905,856 and a principal forgiveness (grant) amount of $356,076 for the Wilderness Public Service District (PSD) proposed project. The bids for the project were considerably higher than was anticipated. The Bureau will provide additional principal forgiveness funding to help meet the increased funding requirements. The DWTRF modified funding amounts are a DWTRF repayment loan of $1,905,856 and a principal forgiveness (grant) amount of $464,715.

If you have any questions regarding this letter, please contact me at (304) 356-4301 or email robert.w.decrease@wv.gov.

Very truly yours,

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

RWD:kls

pc: Ed Shutt, PE, Stafford Consultants, Inc. (email copy)
Chris Jarrett, WDA (email copy)
Samme L. Gee, Esquire, Jackson & Kelly (email copy)
OEHS Beckley District Office (email copy)
Greg Tucker, PSC Attorney (email copy)
Rod Lowe, Bassett & Lowe, CPA (email copy)
Roger Earle, AML (email copy)

350 Capitol Street, Room 313
Charleston, West Virginia 25301-3713
Telephone: (304) 558-2981

DWTRF
(01/15)

LOAN AGREEMENT

THIS DRINKING WATER TREATMENT REVOLVING FUND LOAN AGREEMENT (the "Loan Agreement"), made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting under the direction of the WEST VIRGINIA BUREAU FOR PUBLIC HEALTH, a division of the West Virginia Department of Health and Human Resources (the "BPH"), and the local entity designated below (the "Local Entity").

WILDERNESS PUBLIC SERVICE DISTRICT
(2012W-1375/14DWTRFA009)
(Local Entity)

W I T N E S S E T H:

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

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

WHEREAS, under the Act the BPH is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition §66.468 (1998)) and BPH has been awarded capitalization grants to partially fund the Program;

WHEREAS, the Act establishes a permanent perpetual fund known as the "West Virginia Drinking Water Treatment Revolving Fund" (hereinafter the "Fund"), which fund is to be administered and managed by the Authority under the direction of the BPH;

WHEREAS, pursuant to the Act, the Authority and BPH are empowered to make loans from the Fund to Local Entities for the design, acquisition or construction of drinking

water projects by such Local Entities, all subject to such provisions and limitations as are contained in the Safe Drinking Water Act and the Act;

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

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

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

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

WHEREAS, the Local Entity has completed and filed with the Authority and BPH an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

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

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

ARTICLE I

Definitions

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

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

1.3 "Cross Cutter Authorities" means federal laws and authorities that apply by their terms to projects or activities receiving federal assistance.

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

1.5 "Local Act" means the official action of the Local Entity required by Section 4.1 hereof, authorizing the Local Bonds.

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

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

1.8 "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.

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

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

1.11 "DWTRF Regulations" means the regulations set forth in the West Virginia Code of State Regulations.

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

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

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Local Entity, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property is approved by BPH and the Authority.

2.4 The Local Entity agrees that the Authority and BPH and their respective duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Local Entity further agrees that the Authority and BPH and their respective duly authorized agents shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and BPH with respect to the System pursuant to the pertinent provisions of the Act.

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

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

improvement to an existing system at any reasonable time following commencement of construction.

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

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

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

2.10 The Local Entity shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Entity shall employ qualified operating personnel properly certified by the State. If the Local Entity is a newly established water system, the Local Entity must 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 newly

established Local Entity shall notify BPH in writing of the certified operator employed at the 50% completion stage.

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

2.12 The Local Entity must complete the Monthly Financial Report, the form of which is attached hereto as Exhibit A and incorporated herein by reference, and forward it to the Authority by the 10th day of each month, commencing on the month after the loan contracts are executed for the acquisition or construction of the Project and ending after three years. After the three-year period, it or an equivalent tracking form should continue to be completed and reviewed monthly for the utility's management to monitor its financial debt service coverage for the life of the loan. This form would be on file with the utility records according to the utility's records management policy.

2.13 The Local Entity shall serve the additional customers at the location(s) as set forth in Schedule X. The Local Entity shall not reduce the amount of additional customers served by the project without the prior written approval of the WDA Board. Following completion of the Project the Local Entity shall certify to the Authority the number of customers added to the System.

2.14 The Local Entity shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in the manner prescribed by and the guidelines established by the Authority and the PSC.

ARTICLE III

Conditions to Loan;
Issuance of Local Bonds

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

(a) The Local Entity shall have delivered to BPH and the Authority a report listing the specific purposes for which the proceeds of the Loan will be expended;

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

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

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

(e) The Local Entity shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority and BPH shall have received a certificate of the Consulting Engineers to such effect;

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

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

(h) The Local Entity shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and BPH shall have received an opinion of counsel to the Local Entity, which may be local counsel to the Local Entity, bond counsel or special PSC counsel but must be satisfactory to the Authority and BPH, to such effect;

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

(j) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes

or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority and BPH shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of drinking water projects and satisfactory to the Authority and BPH, to such effect, such certificate to be in form and substance satisfactory to the Authority and BPH, and evidence satisfactory to the Authority and BPH of such irrevocably committed grants; and

(k) The Local Entity shall have obtained 100% of the titles, easements and rights-of-way, or shall have received rights-of-entry for the same and the Authority and BPH shall receive an opinion of counsel to the Local Entity, satisfactory to the Authority and BPH, to such effect.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the BPH, including the DWTRF Regulations, or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Local Entity and the Local Entity shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Local Entity shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

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

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Entity by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, BPH and the Local Entity. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority.

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

further specifically recognizes that all loans will be originated in conjunction with the DWTRF Regulations and with the prior approval of BPH or such later date as is agreed to in writing by the BPH.

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

3.7 The Local Entity shall comply with the following conditions:

(a) The Local Entity shall develop and implement an asset management plan in accordance with BPH guidelines and approved by BPH.

(b) The Local Entity shall comply with Title 40 CFR Part 34, New Restrictions on Lobbying.

(c) The Local Entity shall comply with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds $10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was $10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

(d) The Local Entity shall comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons). To the extent required by BPH, the Local Entity shall provide certifications as to compliance.

(e) The Local Entity shall comply with all requests for data related to the use of the funds provided under this agreement.

(f) The Local Entity shall allow any appropriate representative of the Office of US Inspector General to (1) examine its records relating to the Project and this Agreement and (2) interview any officer or employee of the Local Entity.

(g) The Local Entity must promptly refer to EPA's Inspector General any credible evidence that a principal, employee, agent, sub-grantee contractor, subcontractor, loan recipient, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Agreement.

(h) The Local Entity shall not use funds for particular activities for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

(i) The Local Entity shall require that all laborers and mechanics

employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code. The Local Entity must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

(j) Pursuant to 40 CFR, Section 33.301, the Local Entity agrees to make Disadvantage Business Enterprise (DBE) good faith efforts whenever procuring construction, equipment, services and supplies, and to require that prime contractors also comply. The Local Entity shall provide BPH with DBE participation reports quarterly.

(k) The Local Entity shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. The Local Entity shall also comply with Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the Americans with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and Local Entities, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.

(l) The Local Entity shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, Consolidated Appropriations Act, 2014, and related SRF Policy Guidelines issued by the EPA) which the Local Entity understands includes, among other things, requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Local Entity has requested and obtained a waiver from the EPA pertaining to the Project or (ii) the BPH has otherwise advised the Local Entity in writing that the American Iron and Steel Requirement is not applicable to the Project.

(m) The Local Entity shall comply with all record keeping and reporting requirements under the Safe Drinking Water Act, including any reports required by a Federal agency or the BPH such as performance indicators of program deliverables, information on costs and Project progress. The Local Entity understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Safe Drinking Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds and/or other remedial actions.

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

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

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

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

Provided that if the Local Entity has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues, as applicable, of the System as provided in the Local Act;

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

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

(iv) That, except as otherwise required by State law or the DWTRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of the System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Entity shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority;

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

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

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Entity under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have,

in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

(xi) That the Local Entity shall annually, within six months of the end of the fiscal year, cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority. If the Local Entity receives $750,000 or more (in any combination of federal funds) in a fiscal year, the audit shall be obtained in accordance with the Single Audit Act (as amended from time to time) and the applicable OMB Circular (or any successor thereto). Financial statement audits are required once all funds have been received by the Local Entity. The audit shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Entity's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Local Entity shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority within 30 days of adoption thereof;

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

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

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

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

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

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

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

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

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

The Local Entity hereby represents and warrants that the Local Act has been or shall be duly adopted or enacted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization,

issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by nationally recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit F.

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

4.3 At least two and one-half percent (2½%) of the proceeds of the Local Bonds will be advanced on the Date of Loan Closing. The remaining proceeds of the Local Bonds shall be advanced by the Authority monthly as required by the Local Entity to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Entity, the BPH and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the DWTRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

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

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

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

4.7 If a Local Entity does not draw down all of the proceeds of the Local Bonds within six months of a receipt of a substantial completion certificate or such other time as determined by BPH, the BPH will instruct the Authority to process a final draw on the Local Bonds. BPH will instruct the Authority to advance on the proceeds of the Local Bond to the Commission on behalf of the Local Entity in an amount equal to the amount required to be in the Debt Service Reserve Account. To the extent that proceeds remain in the Local Bonds, such Amount shall be advanced to the Commission to be applied to the latest maturities of the principal amount outstanding.

ARTICLE V

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

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

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

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

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

ARTICLE VI

Other Agreements of the
Local Entity

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

nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Loan Agreement.

6.2 The Local Entity hereby warrants and represents that all information provided to the Authority and BPH in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority and BPH shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and BPH by the Local Entity in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Local Entity has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act, the DWTRF Regulations or this Loan Agreement.

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

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

6.5 Notwithstanding Section 6.4, the Authority may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Entity to be monitored or cause the rebate calculations for the Local Entity to be prepared, in either case at the expense of the Local Entity.

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

6.7 The Local Entity hereby agrees to file with the Authority upon completion of acquisition and construction of the Project a schedule setting forth the actual costs of the Project and sources of funds.

ARTICLE VII

Miscellaneous

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

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

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

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

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

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

7.7 This Loan Agreement shall terminate upon the earlier of:

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

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

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

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

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

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

WILDERNESS PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairman
Date: August 12, 2015

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: August 12, 2015

Attest:

_____
Its: Authorized Officer

4844-7609-8597.v1

EXHIBIT A

Monthly Financial Report

Name of Local Entity: _____

Funding Agency Project No.: _____

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:	0	0	0	0
2. Operating Expenses: (Including Admin Fees)	0	0	0	0
3. Renewal and Replacement Fund Deposits:	0	0	0	0
	Adequate R&R Deposit	**Adequate R&R Deposit**	**Adequate R&R Deposit**	
4. ***Net Revenue: (Equation: 1-2-3)**	**0**	**0**	**0**	**0**
5. Bond Payments: (Principal and Interest)				
Type of Issue				
Clean water SRF:				0
Drinking water SRF:				0
Infrastructure Fund:				0
Water Dev. Authority:				0
Rural Utilities Service:				0
Economic Development:				0
Other: (Identify Below)				0
***Bond Payment Total:**	**0**	**0**	**0**	**0**
6.				
***Calculated Debt Coverage: (Equation: 4/6 * 100%)**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	
7.	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	

_____
Name of Person Completing Form / Date

_____
Address

_____
Telephone Number

Please enter financial data in Grey cells. (If applicable)
*** Self Calculating Formula**

4844-7609-8597.v1

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT (EXHIBIT A)	
Item 1:	You will need a copy of the current fiscal year budget adopted by the Local Entity to complete Items 1 and 2. In Item 1, provide the amount of actual Gross Revenues for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.
Item 2:	Provide the amount of actual Operating Expenses for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.
Item 3:	Provide the Bond Payments (principal, interest and reserve account) for all the outstanding bonds of the Local Entity according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.
Item 4:	Provide the amount deposited into the Renewal and Replacement Fund each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Entity.
The Local Entity must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing for the month after the loan contracts are executed for the acquisition or construction of the Project and ending after three years.	

EXHIBIT B

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No._____, of _____Consulting Engineers, _____, _____, hereby certify as follows:

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

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the BPH and any change orders approved by the Issuer, the BPH and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit A, and my firm[1] has ascertained that all successful bidders have made

[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".

required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the BPH and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof[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 BPH; (xi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this ____day of _____, _____.

[SEAL]

_____

By: _____

_____

West Virginia License No. _____

[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 C

SPECIAL CONDITIONS

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

B. EXHIBIT C-1 – The Local Entity shall complete the form attached as Exhibit C-1 and submit to the BPH prior to the Closing.

C. PAYMENT OF LINE OF CREDIT – The Local Entity shall pay the Line of Credit outstanding on the date of the closing of the Local Bonds within 5 years of the closing of the Local Bonds. The Local Entity shall provide the BPH and the Authority written documentation quarterly evidencing the repayment of the Line of Credit. The Local Entity shall include a covenant with respect to Line of Credit repayment in the documentation authorizing the Local Bonds. Failure to provide the quarterly reports and repay the Line of Credit within the required period shall constitute a default under the Local Bond documents.

EXHIBIT C-1

For DHHR Use Only:
Grant Number _____

West Virginia Department of Health and Human Resources
Subrecipient (Grantee) Information Form – DHHR Finance A-1000
Please see the Instructions for Completion of the Subrecipient (Grantee) Information Form

1. Subrecipient (Grantee) Legal Name	2. Subrecipient (Grantee) DBA Name

3. Subrecipient (Grantee) 9-Digit DUNS Number

4. Subrecipient (Grantee) Physical Location			
Street 1:		***State:***	
Street 2:		***Zip +4:***	
City:		***County:***	

5. Subrecipient (Grantee) Type (Please check one box only)

- ☐ A - State Government
- ☐ B - County Government
- ☐ C - City or Township Government
- ☐ D - Special District Government
- ☐ E - Regional Organization
- ☐ F - U.S. Territory or Possession
- ☐ G - Independent School District
- ☐ H - Public/State Controlled Institution of Higher Learning
- ☐ I - Indian/Native American Tribal Government (Federally Recognized)
- ☐ J - Indian/Native American Tribal Government (Other than Federally Recognized)
- ☐ K - Indian/Native American Tribally Designated Organization
- ☐ L - Public/Indian Housing Authority
- ☐ M - Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)
- ☐ N - Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education)
- ☐ O - Private Institution of Higher Education
- ☐ P - Individual
- ☐ Q - For-Profit Business (Other than Small Business)
- ☐ R - Small Business
- ☐ S - Hispanic-serving Institution
- ☐ T - Historically Black Colleges and Universities (HBCUs)
- ☐ U - Tribally Controlled Colleges and Universities (TCCUs)
- ☐ V - Alaska Native and Native Hawaiian Serving Institutions
- ☐ W - Non-domestic (non-US) entity
- ☐ X - Other (Please explain) _____

6. Subrecipient (Grantee) Primary Place of Performance			
City:		***Zip +4:***	
State:		***County:***	

7. Subrecipient (Grantee) Highly Compensated Officers (if applicable)

Officer Name	***Title***	***Total Compensation***

NOTE: This form must be signed by an individual no lower than the Executive Director or Chief Financial Officer.

Printed Name _____ Title _____

Signature _____ Date _____ Phone # _____

DHHR Finance A-1000 (Revised Sept 2009)

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission

on behalf of _____ on _____.
[Local Entity] [Date]

Sinking Fund:

Interest$_____

Principal $_____

Total: $_____

Reserve Account: $_____

Witness my signature this ___ day of _____.

_____
[Name of Local Entity]

By: _____
Authorized Officer

Enclosure: wire transfer form

EXHIBIT E

OPINION OF BOND COUNSEL FOR LOCAL ENTITY

[To Be Dated as of Date of Loan Closing]

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

West Virginia Bureau for Public Health
350 Capitol Street, Room 313
Charleston, WV 25301-3713

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of a (i) loan agreement dated _____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Local Entity and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH"), and (ii) the issue of a series of revenue bonds of the Local Entity, dated _____(the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with principal and interest payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning _____1, ____, and ending _____1, ____, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

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

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

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

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

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

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

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

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

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

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A. Series A Bonds (DWTRF Program)

Principal Amount of Local Bonds	$1,905,856
Purchase Price of Local Bonds	$1,905,856

The Local Bonds shall bear interest at a rate of 0.5% per annum. Commencing March 1, 2017, principal of and interest on the Local Bonds is payable quarterly, with an administrative fee of 0.5%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

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

(1) Water Revenue Bonds, Series 1979 (United States Department of Agriculture), dated December 7, 1979, issued in the original aggregate principal amount of $740,000 (the "Series 1979 Bonds");

(2) Water Revenue Bonds, Series 1992 (United States Department of Agriculture), dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds");

(3) Water Revenue Bonds, Series 1997 Bonds (United States Department of Agriculture), September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds"); and

(4) Water Revenue Bonds, Series 2001 A Bonds (United States Department of Agriculture), dated August 8, 2001, issued in the original aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds").

Number of New Customers To Be Served: 13
Location: Whitewater Road

B. Series B Bonds (DWTRF Forgiveness)

Principal Amount of Local Bonds	$464,715
Purchase Price of Local Bonds	$464,715

The Series B Bonds shall bear no interest. The Authority at the direction of the BPH shall forgive the principal amount of the Series B Bonds. The principal amounts advanced under the Series B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

SCHEDULE Y
DEBT SERVICE SCHEDULE

Net Debt Service
Wilderness PSD
DWTRF
$1,905,856
0.5% Interest Rate
0.5% Administrative Fee
30 Years

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
3/1/2017	14,731	0.500%	2,382.32	17,113.32	1,230.84	1,711.33	20,055.49
6/1/2017	14,749	0.500%	2,363.91	17,112.91	1,230.84	1,711.33	20,055.08
9/1/2017	14,767	0.500%	2,345.47	17,112.47	1,230.84	1,711.33	20,054.64
12/1/2017	14,786	0.500%	2,327.01	17,113.01	1,230.84	1,711.33	20,055.18
3/1/2018	14,804	0.500%	2,308.53	17,112.53	1,230.84	1,711.33	20,054.70
6/1/2018	14,823	0.500%	2,290.02	17,113.02	1,230.84	1,711.33	20,055.19
9/1/2018	14,841	0.500%	2,271.50	17,112.50	1,230.84	1,711.33	20,054.67
12/1/2018	14,860	0.500%	2,252.94	17,112.94	1,230.84	1,711.33	20,055.11
3/1/2019	14,879	0.500%	2,234.37	17,113.37	1,230.84	1,711.33	20,055.54
6/1/2019	14,897	0.500%	2,215.77	17,112.77	1,230.84	1,711.33	20,054.94
9/1/2019	14,916	0.500%	2,197.15	17,113.15	1,230.84	1,711.33	20,055.32
12/1/2019	14,934	0.500%	2,178.50	17,112.50	1,230.84	1,711.33	20,054.67
3/1/2020	14,953	0.500%	2,159.84	17,112.84	1,230.84	1,711.33	20,055.01
6/1/2020	14,972	0.500%	2,141.15	17,113.15	1,230.84	1,711.33	20,055.32
9/1/2020	14,991	0.500%	2,122.43	17,113.43	1,230.84	1,711.33	20,055.60
12/1/2020	15,009	0.500%	2,103.69	17,112.69	1,230.84	1,711.33	20,054.86
3/1/2021	15,028	0.500%	2,084.93	17,112.93	1,230.84	1,711.33	20,055.10
6/1/2021	15,047	0.500%	2,066.15	17,113.15	1,230.84	1,711.33	20,055.32
9/1/2021	15,066	0.500%	2,047.34	17,113.34	1,230.84	1,711.33	20,055.51
12/1/2021	15,084	0.500%	2,028.50	17,112.50	1,230.84	1,711.33	20,054.67
3/1/2022	15,103	0.500%	2,009.65	17,112.65	1,230.84	1,711.33	20,054.82
6/1/2022	15,122	0.500%	1,990.77	17,112.77	1,230.84	1,711.33	20,054.94
9/1/2022	15,141	0.500%	1,971.87	17,112.87	1,230.84	1,711.33	20,055.04
12/1/2022	15,160	0.500%	1,952.94	17,112.94	1,230.84	1,711.33	20,055.11
3/1/2023	15,179	0.500%	1,933.99	17,112.99	1,230.84	1,711.33	20,055.16
6/1/2023	15,198	0.500%	1,915.02	17,113.02	1,230.84	1,711.33	20,055.19
9/1/2023	15,217	0.500%	1,896.02	17,113.02	1,230.84	1,711.33	20,055.19
12/1/2023	15,236	0.500%	1,877.00	17,113.00	1,230.84	1,711.33	20,055.17
3/1/2024	15,255	0.500%	1,857.95	17,112.95	1,230.84	1,711.33	20,055.12
6/1/2024	15,274	0.500%	1,838.89	17,112.89	1,230.84	1,711.33	20,055.06
9/1/2024	15,293	0.500%	1,819.79	17,112.79	1,230.84	1,711.33	20,054.96
12/1/2024	15,312	0.500%	1,800.68	17,112.68	1,230.84	1,711.33	20,054.85
3/1/2025	15,331	0.500%	1,781.54	17,112.54	1,230.84	1,711.33	20,054.71
6/1/2025	15,351	0.500%	1,762.37	17,113.37	1,230.84	1,711.33	20,055.54
9/1/2025	15,370	0.500%	1,743.18	17,113.18	1,230.84	1,711.33	20,055.35
12/1/2025	15,389	0.500%	1,723.97	17,112.97	1,230.84	1,711.33	20,055.14
3/1/2026	15,408	0.500%	1,704.74	17,112.74	1,230.84	1,711.33	20,054.91
6/1/2026	15,427	0.500%	1,685.48	17,112.48	1,230.84	1,711.33	20,054.65
9/1/2026	15,447	0.500%	1,666.19	17,113.19	1,230.84	1,711.33	20,055.36
12/1/2026	15,466	0.500%	1,646.88	17,112.88	1,230.84	1,711.34	20,055.06
3/1/2027	15,485	0.500%	1,627.55	17,112.55	1,230.84	-	18,343.39
6/1/2027	15,505	0.500%	1,608.19	17,113.19	1,230.84	-	18,344.03
9/1/2027	15,524	0.500%	1,588.81	17,112.81	1,230.84	-	18,343.65
12/1/2027	15,544	0.500%	1,569.41	17,113.41	1,230.84	-	18,344.25
3/1/2028	15,563	0.500%	1,549.98	17,112.98	1,230.84	-	18,343.82
6/1/2028	15,582	0.500%	1,530.52	17,112.52	1,230.84	-	18,343.36

Aug 4, 2015 2:56 pm Prepared by Piper Jaffray & Co. (WDA:LOANS-WILD115) 2

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Net Debt Service
Wilderness PSD
DWTRF
$1,905,856
0.5% Interest Rate
0.5% Administrative Fee
30 Years

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
9/1/2028	15,602	0.500%	1,511.05	17,113.05	1,230.84	-	18,343.89
12/1/2028	15,621	0.500%	1,491.54	17,112.54	1,230.84	-	18,343.38
3/1/2029	15,641	0.500%	1,472.02	17,113.02	1,230.84	-	18,343.86
6/1/2029	15,661	0.500%	1,452.47	17,113.47	1,230.84	-	18,344.31
9/1/2029	15,680	0.500%	1,432.89	17,112.89	1,230.84	-	18,343.73
12/1/2029	15,700	0.500%	1,413.29	17,113.29	1,230.84	-	18,344.13
3/1/2030	15,719	0.500%	1,393.67	17,112.67	1,230.84	-	18,343.51
6/1/2030	15,739	0.500%	1,374.02	17,113.02	1,230.84	-	18,343.86
9/1/2030	15,759	0.500%	1,354.34	17,113.34	1,230.84	-	18,344.18
12/1/2030	15,778	0.500%	1,334.64	17,112.64	1,230.84	-	18,343.48
3/1/2031	15,798	0.500%	1,314.92	17,112.92	1,230.84	-	18,343.76
6/1/2031	15,818	0.500%	1,295.17	17,113.17	1,230.84	-	18,344.01
9/1/2031	15,838	0.500%	1,275.40	17,113.40	1,230.84	-	18,344.24
12/1/2031	15,857	0.500%	1,255.60	17,112.60	1,230.84	-	18,343.44
3/1/2032	15,877	0.500%	1,235.78	17,112.78	1,230.84	-	18,343.62
6/1/2032	15,897	0.500%	1,215.94	17,112.94	1,230.84	-	18,343.78
9/1/2032	15,917	0.500%	1,196.07	17,113.07	1,230.84	-	18,343.91
12/1/2032	15,937	0.500%	1,176.17	17,113.17	1,230.84	-	18,344.01
3/1/2033	15,957	0.500%	1,156.25	17,113.25	1,230.84	-	18,344.09
6/1/2033	15,977	0.500%	1,136.30	17,113.30	1,230.84	-	18,344.14
9/1/2033	15,997	0.500%	1,116.33	17,113.33	1,230.84	-	18,344.17
12/1/2033	16,017	0.500%	1,096.33	17,113.33	1,230.84	-	18,344.17
3/1/2034	16,037	0.500%	1,076.31	17,113.31	1,230.84	-	18,344.15
6/1/2034	16,057	0.500%	1,056.27	17,113.27	1,230.84	-	18,344.11
9/1/2034	16,077	0.500%	1,036.20	17,113.20	1,230.84	-	18,344.04
12/1/2034	16,097	0.500%	1,016.10	17,113.10	1,230.84	-	18,343.94
3/1/2035	16,117	0.500%	995.98	17,112.98	1,230.84	-	18,343.82
6/1/2035	16,137	0.500%	975.83	17,112.83	1,230.84	-	18,343.67
9/1/2035	16,157	0.500%	955.66	17,112.66	1,230.84	-	18,343.50
12/1/2035	16,178	0.500%	935.46	17,113.46	1,230.84	-	18,344.30
3/1/2036	16,198	0.500%	915.24	17,113.24	1,230.84	-	18,344.08
6/1/2036	16,218	0.500%	894.99	17,112.99	1,230.84	-	18,343.83
9/1/2036	16,238	0.500%	874.72	17,112.72	1,230.84	-	18,343.56
12/1/2036	16,259	0.500%	854.42	17,113.42	1,230.84	-	18,344.26
3/1/2037	16,279	0.500%	834.10	17,113.10	1,230.84	-	18,343.94
6/1/2037	16,299	0.500%	813.75	17,112.75	1,230.84	-	18,343.59
9/1/2037	16,320	0.500%	793.38	17,113.38	1,230.84	-	18,344.22
12/1/2037	16,340	0.500%	772.98	17,112.98	1,230.84	-	18,343.82
3/1/2038	16,360	0.500%	752.55	17,112.55	1,230.84	-	18,343.39
6/1/2038	16,381	0.500%	732.10	17,113.10	1,230.84	-	18,343.94
9/1/2038	16,401	0.500%	711.63	17,112.63	1,230.84	-	18,343.47
12/1/2038	16,422	0.500%	691.13	17,113.13	1,230.84	-	18,343.97
3/1/2039	16,442	0.500%	670.60	17,112.60	1,230.84	-	18,343.44
6/1/2039	16,463	0.500%	650.05	17,113.05	1,230.84	-	18,343.89
9/1/2039	16,484	0.500%	629.47	17,113.47	1,230.84	-	18,344.31
12/1/2039	16,504	0.500%	608.86	17,112.86	1,230.84	-	18,343.70

Net Debt Service
Wilderness PSD
DWTRF
$1,905,856
0.5% Interest Rate
0.5% Administrative Fee
30 Years

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
3/1/2040	16,525	0.500%	588.23	17,113.23	1,230.84	-	18,344.07
6/1/2040	16,545	0.500%	567.58	17,112.58	1,230.84	-	18,343.42
9/1/2040	16,566	0.500%	546.89	17,112.89	1,230.84	-	18,343.73
12/1/2040	16,587	0.500%	526.19	17,113.19	1,230.84	-	18,344.03
3/1/2041	16,608	0.500%	505.45	17,113.45	1,230.84	-	18,344.29
6/1/2041	16,628	0.500%	484.69	17,112.69	1,230.84	-	18,343.53
9/1/2041	16,649	0.500%	463.91	17,112.91	1,230.84	-	18,343.75
12/1/2041	16,670	0.500%	443.10	17,113.10	1,230.84	-	18,343.94
3/1/2042	16,691	0.500%	422.26	17,113.26	1,230.84	-	18,344.10
6/1/2042	16,712	0.500%	401.40	17,113.40	1,230.84	-	18,344.24
9/1/2042	16,732	0.500%	380.51	17,112.51	1,230.84	-	18,343.35
12/1/2042	16,753	0.500%	359.59	17,112.59	1,230.84	-	18,343.43
3/1/2043	16,774	0.500%	338.65	17,112.65	1,230.84	-	18,343.49
6/1/2043	16,795	0.500%	317.68	17,112.68	1,230.84	-	18,343.52
9/1/2043	16,816	0.500%	296.69	17,112.69	1,230.84	-	18,343.53
12/1/2043	16,837	0.500%	275.67	17,112.67	1,230.84	-	18,343.51
3/1/2044	16,858	0.500%	254.62	17,112.62	1,230.84	-	18,343.46
6/1/2044	16,879	0.500%	233.55	17,112.55	1,230.84	-	18,343.39
9/1/2044	16,901	0.500%	212.45	17,113.45	1,230.84	-	18,344.29
12/1/2044	16,922	0.500%	191.32	17,113.32	1,230.84	-	18,344.16
3/1/2045	16,943	0.500%	170.17	17,113.17	1,230.84	-	18,344.01
6/1/2045	16,964	0.500%	148.99	17,112.99	1,230.84	-	18,343.83
9/1/2045	16,985	0.500%	127.79	17,112.79	1,230.84	-	18,343.63
12/1/2045	17,006	0.500%	106.56	17,112.56	1,230.84	-	18,343.40
3/1/2046	17,028	0.500%	85.30	17,113.30	1,230.84	-	18,344.14
6/1/2046	17,049	0.500%	64.01	17,113.01	1,230.84	-	18,343.85
9/1/2046	17,070	0.500%	42.70	17,112.70	1,230.84	-	18,343.54
12/1/2046	17,092	0.500%	21.37	17,113.37	1,230.84	-	18,344.21
	1,905,856		147,700.19	2,053,556.19	147,700.80	68,453.21	2,269,710.20

Notes:

Estimated Monthly Net Debt Service Payments as follows:

1. $6,685.20 from 12/01/2016 through 11/01/2026 (based on maximum quarterly payment of $20,055.60 and monthly payment rounded up to the nearest cent)
2. $6,114.77 from 12/01/2026 through 11/01/2046 (based on maximum quarterly payment of $18,344.31 and monthly payment rounded up to the nearest cent)
3. Reserve Fund equal to $68,453.21 (maximum annual debt service) funded up over 10 years
4. Admin Fee calculated based on percent of bond value computed quarterly paid in equal quarterly payments rounded up to the nearest cent.

WILDERNESS PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF WILDERNESS PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,905,856 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2015 A (WEST VIRGINIA DWTRF PROGRAM) AND NOT MORE THAN $464,715 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2015 B (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING THE 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 RESOLVED BY THE PUBLIC SERVICE BOARD OF WILDERNESS PUBLIC SERVICE DISTRICT:

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, (as hereinafter defined), or both, the "Bond Legislation") is adopted pursuant to the provisions of (i) Chapter 16, Article 13A and (ii) Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. Wilderness Public Service District (the "Issuer") is a public service district, public corporation and political subdivision of the State of West Virginia in Nicholas County of said State.

B. The Issuer presently owns and operates the System (as hereinafter defined) a public waterworks system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain extensions, additions, betterments and improvements to the System, a description of which is attached hereto

as Exhibit A and incorporated herein by reference (collectively, the "Project"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), in the aggregate principal amount of not more than $1,905,856 (the "Series 2015 A Bonds") and Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), in the aggregate principal amount of not more than $464,715 (the "Series 2015 B Bonds" and together with the Series 2015 A Bonds, collectively, the "Series 2015 Bonds"), to permanently finance the costs of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof, if any. Said costs shall be deemed to include the cost of acquisition or construction of any public service properties and any improvements and extensions thereto, the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2015 Bonds prior to and during acquisition and installation of the Project and for a period not exceeding 6 months after completion of acquisition and installation of the Project; amounts which may be deposited in the Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the Administrative Fee, (as hereinafter defined); discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2015 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or installation 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 2015 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 2015 Bonds be sold to the Authority pursuant to the terms and provisions of a Loan Agreement by and among the Issuer and the Authority, on behalf of the West Virginia Bureau for Public Health (the "BPH"), the loan agreement in form satisfactory to the respective parties (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2015 Bonds as to liens, pledge and source of and security for payment, being the Issuer's: (1) Water Revenue Bonds, Series 1979 (United States Department of Agriculture),

dated December 7, 1979, issued in the original aggregate principal amount of $740,000 (the "Series 1979 Bonds"); (2) Water Revenue Bonds, Series 1992 (United States Department of Agriculture), dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds"); (3) Water Revenue Bonds, Series 1997 Bonds (United States Department of Agriculture), September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds"); and (4) Water Revenue Bonds, Series 2001 A Bonds (United States Department of Agriculture), dated August 8, 2001, issued in the original aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds"), (collectively, the "Prior Bonds").

The Series 2015 Bonds shall be issued on a parity with the Prior Bonds (as hereinafter defined) with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has met the parity and coverage requirements of the Prior Bonds and the Prior Resolutions (as hereinafter defined) and has substantially complied with all other parity requirements, except to the extent that noncompliance with any such other parity requirements is not of a material nature. Prior to the issuance of the Series 2015 Bonds, the Issuer will obtain (1) the certificate of an Independent Certified Public Accountant stating that the parity and coverage tests of the Prior Bonds have been met; and (2) the written consent of the Registered Owners (as hereinafter defined) of the Prior Bonds to the issuance of the Series 2015 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds (as hereinafter defined), there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest, if any, on the Series 2015 Bonds, and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the Project, including without limitation, the acquisition, installation and operation of the Project and the System and issuance of the Series 2015 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 Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein 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 2015 Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2015 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 Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2015 Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, (i) Chapter 16, Article 13A and (ii) Chapter 16, Article 13C of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Administrative Fee" means any administrative fee required to be paid under the Loan Agreement for the Series 2015 Bonds.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2015 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 BPH and the Council under the Act.

"Authorized Officer" means the Chairperson of the Governing Body of the Issuer, or any temporary Chairperson duly selected by 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," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

"Bonds" means, collectively, the Series 2015 A Bonds, the Series 2015 B Bonds, the Prior Bonds and any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

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

"BPH" means the West Virginia Bureau for Public Health, a division of the West Virginia Department of Health and Human Resources, or any other agency, board or department of the State that succeeds the function of the BPH.

"Chairperson" means the Chairperson of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2015 Bonds for all or a portion of the proceeds of the Series 2015 Bonds from the Authority.

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

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

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

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

"Cross Cutter Authorities" means federal laws and authorities that apply by their terms to projects or activities receiving federal assistance.

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

"DWTRF Regulations" means the regulations for the West Virginia DWTRF Program set forth in Title 64, Part 49 of the West Virginia Code of State Regulations.

"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" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

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

"Gross Revenues" means the 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.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by

the Issuer to prepare an independent annual or special audit of the accounts of the System or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Issuer" means the Wilderness Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia, in Nicholas County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, on behalf of the BPH, providing for the purchase of the Series 2015 Bonds from the Issuer by the Authority, being substantially in the form attached hereto as Exhibit B, with such changes, insertions and omissions, if any, as may be approved by the Chairperson; and the execution of such final Loan Agreement by the Chairperson shall be conclusive evidence of such approval.

"Net Proceeds" means the face amount of the Series 2015 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Accounts.

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

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, the 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.

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

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

"Paying Agent" means the Commission or other entity designated as such for the Series 2015 Bonds in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Issuer's: (1) Water Revenue Bonds, Series 1979 (United States Department of Agriculture), dated December 7, 1979, issued in the original aggregate principal amount of $740,000 (the "Series 1979 Bonds"); (2) Water Revenue Bonds, Series 1992 (United States Department of Agriculture), dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds"); (3) Water Revenue Bonds, Series 1997 Bonds (United States Department of Agriculture), September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds"); and (4) Water Revenue Bonds, Series 2001 A Bonds (United States Department of Agriculture), dated August 8, 2001, issued in the original aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds")

"Prior Bonds Sinking Funds" means the Sinking Funds established for the Prior Bonds by the Prior Resolutions.

"Prior Bonds Reserve Accounts" means the Reserve Accounts established for the Prior Bonds by the Prior Resolutions.

"Prior Resolutions" means, collectively, the Resolutions authorizing the Prior Bonds.

"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 Board of Treasury Investments pursuant to Chapter 12, Article 6C 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" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Registrar" means the bank or other entity 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 to the Code.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund continued by Section 5.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2015 Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2015 Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund established by the Prior Resolutions and continued by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 2015 A Bonds" means the Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), of the Issuer, authorized by this Resolution.

"Series 2015 A Bonds Project Fund" means the Series 2015 A Bonds Project Fund established by Section 5.01 hereof.

"Series 2015 A Bonds Reserve Account" means the Series 2015 A Bonds Reserve Account authorized to be established by Section 5.02 hereof.

"Series 2015 A Bonds Reserve Requirement" means as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2015 A Bonds in the then current year or any succeeding year.

"Series 2015 A Bonds Sinking Fund" means the Series 2015 A Bonds Sinking Fund authorized to be established by Section 5.02 hereof.

"Series 2015 B Bonds" means the Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), of the Issuer, authorized by this Resolution.

"Series 2015 B Bonds Project Fund" means the Series 2015 B Bonds Project Fund established by Section 5.01 hereof.

"Series 2015 B Bonds Reserve Account" means the Series 2015 B Bonds Reserve Account authorized to be established by Section 5.02 hereof.

"Series 2015 B Bonds Reserve Requirement" means as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2015 B Bonds in the then current year or any succeeding year.

"Series 2015 B Bonds Sinking Fund" means the Series 2015 B Bonds Sinking Fund authorized to be established by Section 5.02 hereof.

"Series 2015 Bonds" means collectively, the Series 2015 A Bonds and the Series 2015 B Bonds.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2015 Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2015 Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2015 Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 2015 Bonds, the Prior Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Sinking Funds and the Reserve Accounts.

"System" means the complete existing waterworks system of the Issuer, and shall include the Project and 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.

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

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

Additional terms and phrases are defined in this Bond Legislation 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 Bond Legislation; and the term "hereafter" means after the date of the enactment of this Bond Legislation.

Articles, sections and subsections mentioned by number only are the respective articles, sections and subsections of this Bond Legislation so numbered.

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 $2,777,055.50, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2015 Bonds shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the BPH.

The Cost of the Project is estimated not to exceed $2,777,055.50, of which an amount not to exceed $1,905,856 will be obtained from proceeds of the Series 2015 A Bonds; $464,715 will be obtained from the proceeds of the Series 2015 B Bonds; $157,560.50 will be obtained from the proceeds of an Abandoned Mine Loan Grant; $5,000 will be obtained from the District; and $100,000 will be obtained from the proceeds of a West Virginia Infrastructure Jobs and Development Council 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, if any, on the Series 2015 Bonds, funding the Reserve Accounts for the Series 2015 Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2015 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2015 Bonds of the Issuer. The Series 2015 Bonds shall be issued in two series, each as a single bond, designated respectively as "Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program)," in the principal amount not to exceed $1,905,856, and as "Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program"), in the principal amount not to exceed $464,715, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2015 Bonds remaining after funding of the Reserve Accounts therefore (if funded from Bond proceeds) and capitalizing interest, if any, on the Series 2015 Bonds, shall be deposited in or credited to the Series 2015 Bonds Project Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2015 Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, 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 2015 Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2015 Bonds, if any, shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

A. Unless otherwise provided by the Supplemental Resolution, the Series 2015 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 2015 A Bonds. The Series 2015 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 bear interest, if any, and shall be dated as set forth in a Supplemental Resolution.

B. Unless otherwise provided by the Supplemental Resolution, the Series 2015 B Bonds shall initially be issued in the form of a single bond, fully registered to the

Authority, with a record of advances, representing the aggregate principal amount and shall not bear interest. The principal amounts advanced under the Series 2015 B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2015 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2015 B Bonds are not subject to an Administrative Fee.

The Series 2015 B 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 bear interest, if any, and shall be dated as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2015 Bonds shall be executed in the name of the Issuer by the Chairperson, and the seal of the Issuer, if any, shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2015 Bonds shall cease to be such officer of the Issuer before the Series 2015 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 such Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. The Bond Registrar for the Series 2015 Bonds shall be the bank or other entity designated as such in the Supplemental Resolution and its successors and assigns. No Series 2015 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 2015 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 Series 2015 Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2015 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 2015 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 such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2015 Bonds remain Outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2015 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 the Series 2015 Bonds or transferring the registered Series 2015 Bonds are exercised, the Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date, if any, on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date, if any, or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2015 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2015 Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2015 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2015 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2015 A Bonds and the Series 2015 B Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System, on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2015 Bonds and the Prior 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 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2015 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2015 Bonds to the original purchasers upon receipt of the documents set forth below:

(i) If other than the Authority, a list of the names in which the Series 2015 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

(ii) A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2015 Bonds to the original purchasers;

(iii) An executed and certified copy of the Bond Legislation;

(iv) An executed copy of the Loan Agreement; and

(v) The unqualified approving opinion of bond counsel on the Series 2015 Bonds.

Section 3.10. Form of Bonds. The text of the Series 2015 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:

[Remainder of Page Intentionally Left Blank]

(FORM OF SERIES 2015 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1 $ _____

KNOW ALL MEN BY THESE PRESENTS: That on this ____ day of _____, 2015, WILDERNESS PUBLIC SERVICE DISTRICT, a public service district and public corporation and political subdivision of the State of West Virginia in Nicholas County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year commencing _____ 1, 20__, to and including _____ 1, 20__ as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

[This Bond shall bear no interest/This Bond shall bear interest at a rate of ___% per annum.] The Administrative Fee of ____% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on said EXHIBIT B.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated _____, 2015.

This Bond is issued (i) to pay a portion of the costs of acquisition, construction and installation of certain extensions, additions, betterments and improvements to the existing public waterworks 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 waterworks

system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2015, and a Supplemental Resolution duly adopted by the Issuer on _____, 2015 (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, AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE BORROWER'S: (1) WATER REVENUE BONDS, SERIES 1979 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED DECEMBER 7, 1979, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $740,000 (THE "SERIES 1979 BONDS"); (2) WATER REVENUE BONDS, SERIES 1992 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 15, 1992, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $350,000 (THE "SERIES 1992 BONDS"); (3) WATER REVENUE BONDS, SERIES 1997 BONDS (UNITED STATES DEPARTMENT OF AGRICULTURE), SEPTEMBER 18, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $750,000 (THE "SERIES 1997 BONDS"); AND (4) WATER REVENUE BONDS, SERIES 2001 A BONDS (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED AUGUST 8, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,200,000 (THE "SERIES 2001 A BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net 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 2015 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and 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, except from said special fund provided from the Net Revenues, the monies in the Series 2015 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2015 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations Outstanding on a

parity with the Bonds, including Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and 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 Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

_____
Chairperson

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2015 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: _____ , 2015.

_____,
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: _____, 20____.

_____

In the presence of:

_____

(FORM OF SERIES 2015 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

No. BR-1 $ _____

KNOW ALL MEN BY THESE PRESENTS: That on this ____ day of _____, 2015, WILDERNESS PUBLIC SERVICE DISTRICT, a public service district and public corporation and political subdivision of the State of West Virginia in Nicholas County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein. This Bond shall not be subject to the Administrative Fee.

This Bond shall bear no interest. Principal installments of this Bond are 100% forgivable as set forth in the Loan Agreement. The Bond shall be deemed no longer outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated _____, 2015.

This Bond is issued (i) to pay a portion of the costs of acquisition, construction and installation of certain extensions, additions, betterments and improvements to the existing public waterworks 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 waterworks system of the Issuer, the Project and any further extensions, additions, betterments and improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2015, and a Supplemental Resolution duly adopted by the Issuer on _____, 2015 (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.

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

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 United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the 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 Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

_____
Chairperson

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2015 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: _____ , 2015.

_____,
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 $_____

(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: _____, 20____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2015 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairperson 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 Secretary is directed to affix the seal of the Issuer, if any, 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, is hereby approved and incorporated into this Bond Legislation. Without limiting the generality of the foregoing, the Issuer hereby specifically approves Schedule X and Y attached to the Loan Agreement, and a certified copy of this Resolution, indicating such approval, shall be submitted to the Authority.

Section 3.12. Filing of Amended Schedule. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the BPH the amended schedule 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 (or continued if previously established by the Prior Resolutions) with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

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

(2) Renewal and Replacement Fund (established by the Prior Resolutions);

(3) Reserve Fund (established by Prior Resolutions);

(4) Reserve Account (established by Prior Resolutions); and

(5) Series 2015 Bonds Project Fund Trust Fund.

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

(2) Prior Bonds Reserve Accounts (established by Prior Resolutions);

(3) Series 2015 A Bonds Sinking Fund; and

(4) Series 2015 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and 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 monies at any time on deposit in the Revenue Fund shall be disposed of only in the following order of priority:

(1) The Issuer shall first, each month, pay all current Operating Expenses of the System.

(2) The Issuer shall next, each month, on or before the due date, remit to the National Finance Office the amount required by Prior Resolutions to pay interest on the RUS Bonds.

(3) The Issuer shall next, on the first of each month, simultaneously remit (i) to the National Finance Office the amount required by Prior Resolutions to pay principal on the RUS Bonds; (ii) to the Commission the amounts required by Prior Resolutions to pay principal on the Series 2005 A Bonds, Series 2005 B Bonds and Series 2008 A Bonds; and (iii) to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2015 A Bonds, for deposit in the Series 2015 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2015 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 2015 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.

(4) The Issuer shall next, on the first day of each month, simultaneously remit (i) to the Depository Bank the amounts required by Prior Resolutions to be deposited in the respective Reserve Accounts for the RUS Bonds; (ii) to the Commission the amounts required by the Prior Resolutions to be deposited in the respective Reserve Accounts for the Series 2005 A Bonds, Series 2005 B Bonds and Series 2008 A Bonds; and (iii) to the Commission, commencing 4 months prior to the first date of

payment of principal of the Series 2015 A Bonds, if not fully funded upon issuance of the Series 2015 A Bonds, for deposit in the Series 2015 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2015 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 2015 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 2015 A Bonds Reserve Requirement.

(5) The Issuer shall next, each month, transfer from the Revenue Fund to the Renewal and Replacement Fund (i) the amounts required in the Prior Resolutions and (ii) so long as the Series 2015 A Bonds are Outstanding, an amount equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Accounts. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Accounts (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) After all the foregoing provisions for use of monies in the Revenue Fund have been fully complied with, any monies remaining therein and not permitted to be retained therein may be used to prepay installments of the Bonds, pro rata, or for any lawful purpose of the System.

Monies in the Series 2015 A Bonds Sinking Fund and the Series 2015 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2015 A Bonds and the Series 2015 B Bonds, respectively, as the same shall become due. Monies in the Series 2015 A Bonds Reserve Account and the Series 2015 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2015 A Bonds and the Series 2015 B Bonds, respectively, as the same shall come due, when other monies in the Series 2015 A Bonds Sinking Fund and the Series 2015 B Bonds Sinking Fund, respectively, are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2015 A Bonds Sinking Fund, the Series 2015 B Bonds Sinking Fund, the Series 2015 A Bonds Reserve Account and the Series 2015 B Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during installation of the Project, be deposited

in the respective Bond Project Fund, and following completion of installation 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 2015 A Bonds and the Series 2015 B Bonds, respectively, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2015 A Bonds Reserve Account and the Series 2015 B Bonds Reserve Account which result in a reduction in the balance therein to below the respective Reserve Requirements shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2015 Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2015 A Bonds Sinking Fund, the Series 2015 B Bonds Sinking Fund, the Series 2015 A Bonds Reserve Account or the Series 2015 B Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the respective aggregate principal amount of the Series 2015 A Bonds and the Series 2015 B Bonds, respectively, issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2015 A Bonds Sinking Fund, the Series 2015 B Bonds Sinking Fund, the Series 2015 A Bonds Reserve Account and the Series 2015 B Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at any time, 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.

Monies in the Series 2015 A Bonds Sinking Fund, the Series 2015 B Bonds Sinking Fund, the Series 2015 A Bonds Reserve Account and the Series 2015 B Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2015 A Bonds Sinking Fund, the Series 2015 B Bonds Sinking Fund, the Series 2015 A Bonds Reserve Account and the Series 2015 B Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2015 A Bonds and the Series 2015 B Bonds, respectively, under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2015 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 also 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 Administrative Fee, if any, as set forth in the Schedule Y attached to the Loan Agreement for the Series 2015 Bonds.

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

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 Resolutions, and the Net 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 or 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 2015 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 2015 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2015 A Bonds, there shall first be deposited with the Commission in the Series 2015 A Bonds Sinking Fund, the amount, if any set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2015 A Bonds for the period commencing on the date of issuance of the Series 2015 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2015 A Bonds, there shall be deposited with the Commission in the Series 2015 A Bonds Reserve Account, the amount, if any set forth in the Supplemental Resolution for funding the Series 2015 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2015 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2015 Bonds Project Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2015 A Bonds.

D. From the proceeds of the Series 2015 B Bonds, there shall first be deposited with the Commission in the Series 2015 B Bonds Sinking Fund, the amount, if any set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2015 B Bonds for the period commencing on the date of issuance of the Series 2015 B Bonds and ending 6 months after the estimated date of completion of construction of the Project.

E. Next, from the proceeds of the Series 2015 B Bonds, there shall be deposited with the Commission in the Series 2015 B Bonds Reserve Account, the amount, if any set forth in the Supplemental Resolution for funding the Series 2015 B Bonds Reserve Account.

F. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2015 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2015 Bonds Project Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2015 B Bonds.

G. 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 2015 Bonds shall be expended as approved by the BPH.

Section 6.02. Disbursements From the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the BPH a report

listing the specific purposes for which the proceeds of the Series 2015 Bonds will be expended and the disbursement procedures for such proceeds. Payments for the costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2015 Bonds Construction Trust Fund shall be made only after submission to and approval from the BPH of:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement for the Series 2015 Bonds, and

(2) a certificate, signed by an Authorized Officer, as appropriate, stating that:

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

(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 2015 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 2015 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 2015 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 2015 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2015 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 2015 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2015 Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2015 A Bonds and the Series 2015 B Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2015 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, 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. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Recommended Decision dated May 22, 2015, which became a Final Order on June 11, 2015, in Case No. 15-0230-PWD-CN of the Public Service Commission of West Virginia and such rates are hereby adopted.

So long as the Series 2015 Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2015 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the 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 Resolutions. Additionally, so long as the Series 2015 Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority and the BPH, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2015 Bonds, immediately be remitted to the Commission for deposit in the Series 2015 Bonds Sinking Fund, and, with the written permission of the Authority and the BPH, 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 2015 A Bonds. Any balance remaining after the payment of the Series 2015 Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000, but not in excess of $50,000, the Issuer shall first, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property shall be deposited in the Renewal and Replacement Fund. Payment of such proceeds into the Renewal and Replacement 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 $50,000 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 in this 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 2015 Bonds. All obligations issued by the Issuer after the issuance of the Series 2015 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, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2015 Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2015 Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series

2015 Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority 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, 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 Resolutions shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2015 Bonds pursuant to this Bond Legislation, except with the prior written consent of the Authority and the BPH under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Resolutions).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2015 Bonds.

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

So long as the RUS Bonds are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues for the Fiscal Year following the year in which such Parity Bonds are to be issued shall be at least 120% of the average annual debt service requirements on the following:

(1) The Bonds Outstanding;

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

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

The foregoing limitation may be waived or modified by the written consent of the Holders of the RUS Bonds, representing 75% of the then-outstanding principal indebtedness.

So long as the Series 2005 A Bonds, Series 2005 B Bonds, Series 2008 A Bonds or Series 2015 A Bonds are Outstanding no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, 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 expected 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 Resolution then Outstanding; and

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

The "estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the Issuer, the period for appeal of which has expired prior to the date of 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 Secretary 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, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the period for appeal of which has expired prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond over any other Bond. 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 revenues of the System is subject to the prior and superior liens of the Series 2015 Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, 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 Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been

made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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

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

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

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

The Issuer shall file with the BPH, the Authority, or any other original purchaser of the Series 2015 Bonds, and shall mail in each year to any Holder or Holders of the Series 2015 Bonds, requesting the same, an annual report containing the following:

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

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

(C) The amount of any Bonds, notes or other obligations payable from the revenues of the System Outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2015 Bonds, and shall submit said report to the Authority, or any other original purchaser of the Series 2015 Bonds. Such audit report submitted to the Authority shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under 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 permit the Authority and the BPH, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operation of the Project, the Issuer shall also provide the Authority and the BPH, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the BPH with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2015 Bonds, equitable rates or charges for the use of and service rendered by the System shall be 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 Secretary, 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 (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 2015 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2015 Bonds, including the Prior Bonds; provided, that in the event amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2015 Bonds Reserve Account and any reserve accounts for obligations on a parity with

the Series 2015 Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2015 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2015 Bonds, including the Prior Bonds. In any event, subject to any requirements of law, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the BPH within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding, which finding 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. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the BPH and to any Holder of any Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and the BPH 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 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 BPH, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the BPH is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority and the BPH, covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications, and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the BPH, and the Issuer at the completion of construction that

construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the DWTRF Regulations, to the Issuer within 60 days of the completion of the Project. The Issuer shall notify the BPH in writing of such receipt.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the DWTRF Regulations, to the Issuer 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 BPH in writing of the certified operator employed at the 50% completion stage.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority. Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

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 until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce

collections to the maximum extent permitted by law. If the sewerage facilities are not owned by the Issuer, the Issuer will, to the extent allowed by law, use diligent efforts to enter into a similar termination agreement with the provider of such sewerage service, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

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 2015 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

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

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

(3) WORKERS' 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 workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the BPH 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. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling or building intended to be served by the System to connect thereto.

Section 7.17. Completion, Operation and Maintenance 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 shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2015 Bonds are Outstanding.

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 BPH necessary for the financing, acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2015 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion of counsel to such effect.

Section 7.18. Reserved.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2015 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2015 Bonds, which statutory mortgage lien shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the BPH with copies of all documents submitted to the Authority. The Issuer also agrees to comply with all applicable laws, rules, regulations, the applicable Cross Cutter Authorities and all applicable local ordinances issued by the Authority, the BPH or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia in the manner prescribed by and the guidelines established by the Authority and the Public Service Commission of West Virginia.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Change Orders; Public Release.

A. The Issuer shall, simultaneously with the delivery of the Series 2015 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the BPH for written approval. The Issuer shall obtain the written approval of the BPH before expending any proceeds of the Series 2015 Bonds held in "contingency" as set forth in the respective schedules attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written

approval of the BPH before expending any proceeds of the Series 2015 Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the Authority and the BPH 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; USE OF PROCEEDS

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, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often 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 2015 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2015 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2015 Bonds as a condition to issuance of the Series 2015 Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and

applicable to the Series 2015 Bonds as may be necessary in order to maintain the status of the Series 2015 Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2015 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the BPH, as the case may be, from which the proceeds of the Series 2015 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority, information with respect to the Issuer's use of the proceeds of the Series 2015 Bonds and any additional information requested by the Authority.

ARTICLE IX
DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2015 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any series of the Series 2015 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 2015 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2015 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 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 Resolutions.

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 Series 2015 Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2015 Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2015 Bonds, or the rights of such Registered Owners; provided, that all rights and remedies of the Holders of the Series 2015 Bonds shall be on a parity with each other and with those of the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of the Series 2015 Bonds may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project 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 the Series 2015 Bonds 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 Series 2015 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 Series 2015 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 Series 2015 A Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X
PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2015 Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other 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 2015 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2015 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 2015 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2015 Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2015 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2015 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Series 2015 Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest, if any, on the Series 2015 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 2015 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 Resolution 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 Resolution, the Supplemental Resolution, or the Series 2015 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. Notices. All notices to be sent to the Issuer, the Authority or the BPH shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid, addressed as follows:

ISSUER:

Wilderness Public Service District
P.O. Box 37
Mt. Nebo, West Virginia 26679
Attention: Chairman

AUTHORITY:

Water Development Authority
1009 Bullitt Street
Charleston, West Virginia 25301
Attention: Director

BPH:

West Virginia Bureau for Public Health
350 Capitol Street, Room 313
Charleston, West Virginia 25301
Attention: Environmental Engineering

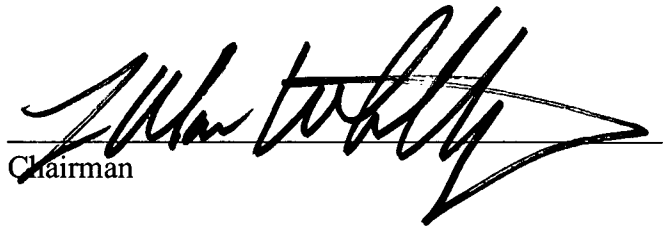
All notices to be sent to the BPH hereunder, shall also be sent to the Authority.

Section 11.06. Conflicting Provisions Repealed; Prior Resolutions. Except for the Prior Resolutions, all orders, ordinances or resolutions, or parts thereof, in conflict with the provisions of this Resolution are to the extent of such conflict, hereby repealed; provided, that this Section shall not be applicable to the Prior Resolutions. In the event of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 30th day of July, 2015.



Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of WILDERNESS PUBLIC SERVICE DISTRICT on the 30th day of July, 2015.

Dated: August 12, 2015.

[SEAL]

Secretary

EXHIBIT A

PROJECT DESCRIPTION

The Project consists of constructing approximately 7,300 linear feet of 8-inch PVC to interconnect Wilderness Public Service District to Gauley River Public Service District via Whitewater Road, a backwash holding tank at the plant, a new 150,000-gallon tank at Mt. Nebo and an emergency generator. The project will serve 13 new customers.

EXHIBIT B

Loan Agreement included in bond transcript as Document 2.4.

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

BOND RESOLUTION

Table of Contents

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. 1
Section 1.02. Findings 1
Section 1.03. Bond Legislation Constitutes Contract. 3
Section 1.04. Definitions 4

ARTICLE II
AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. 11

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

Section 3.01. Authorization of Bonds. 11
Section 3.02. Terms of Bonds. 11
Section 3.03. Execution of Bonds. 12
Section 3.04. Bond Registrar; Authentication and Registration. 12
Section 3.05. Negotiability, Transfer and Registration 12
Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. 13
Section 3.07. Bonds not to be Indebtedness of the Issuer. 13
Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. 14
Section 3.09. Delivery of Bonds. 14
Section 3.10. Form of Bonds. 14
Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. 23
Section 3.12. Filing of Amended Schedule 23

ARTICLE IV
[RESERVED]

ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. 23
Section 5.02. Establishment of Funds and Accounts with Commission 23
Section 5.03. System Revenues; Flow of Funds.....24

ARTICLE VI
BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. 28
Section 6.02. Disbursements From the Bond Construction Trust Fund. 28

ARTICLE VII
ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer 29
Section 7.02. Bonds not to be Indebtedness of the Issuer.....29
Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. 29
Section 7.04. Initial Schedule of Rates and Charges. 30
Section 7.05. Sale of the System.....30
Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. 31
Section 7.07. Parity Bonds.....32
Section 7.08. Books; Records and Audit 33
Section 7.09. Rates.....35
Section 7.10. Operating Budget and Monthly Financial Report.....36
Section 7.11. Engineering Services and Operating Personnel.....36
Section 7.12 No Competing Franchise 37
Section 7.13. Enforcement of Collections 37
Section 7.14. No Free Services.....38
Section 7.15. Insurance and Construction Bonds 38
Section 7.16. Connections.....39
Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. 39
Section 7.18. Reserved.....40
Section 7.19. Statutory Mortgage Lien.....40
Section 7.20. Compliance with Loan Agreement and Law. 40
Section 7.21. Securities Laws Compliance.....40
Section 7.22. Contracts; Change Orders; Public Release. 40

ARTICLE VIII
INVESTMENT OF FUNDS; USE OF PROCEEDS

Section 8.01. Investments. 41
Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. 41

ARTICLE IX
DEFAULT AND REMEDIES

Section 9.01. Events of Default. 42
Section 9.02. Remedies. 42
Section 9.03. Appointment of Receiver. 43

ARTICLE X
PAYMENT OF BONDS

Section 10.01. Payment of Bonds. 44

ARTICLE XI
MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. 44
Section 11.02. Bond Legislation Constitutes Contract 44
Section 11.03. Severability of Invalid Provisions. 44
Section 11.04. Headings, Etc. 45
Section 11.05. Notices.. 45
Section 11.06. Conflicting Provisions Repealed; Prior Resolutions. 45
Section 11.07. Covenant of Due Procedure, Etc. 45
Section 11.08. Effective Date 47

CERTIFICATION 48
EXHIBIT A 49
EXHIBIT B 49

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS,
SERIES 2015 A (WEST VIRGINIA DWTRF PROGRAM) AND
SERIES 2015 B (WEST VIRGINIA DWTRF PROGRAM)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO THE PRINCIPAL AMOUNTS, DATES, MATURITY DATES, INTEREST RATES, PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE WILDERNESS PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 2015 A (WEST VIRGINIA DWTRF PROGRAM) AND SERIES 2015 B (WEST VIRGINIA DWTRF PROGRAM); AUTHORIZING AND APPROVING THE LOAN AGREEMENTS 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 Public Service Board (the "Governing Body") of the Wilderness Public Service District (the "Issuer") has duly and officially adopted a Bond Resolution on August 6, 2015 (the "Bond Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF WILDERNESS PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,905,856 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2015 A (WEST VIRGINIA DWTRF PROGRAM) AND NOT MORE THAN $464,715 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2015 B (WEST VIRGINIA DWTRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING

AND CONFIRMING THE LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of the Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program) and Series 2015 B (West Virginia DWTRF Program), of the Issuer, in the respective aggregate principal amounts not to exceed $1,905,856 and $464,715 (collectively the "Bonds" and individually, the "Series 2015 A Bonds" and the "Series 2015 B Bonds"), and has authorized the execution and delivery of a loan agreement relating to the Series 2015 A Bonds and Series 2015 B Bonds, including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau for Public Health (the "BPH") (the "Loan Agreement"), all in accordance with Chapter 16, Article 13A and Chapter 16, Article 13C of the Code of West Virginia, 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the exact principal amounts, dates, maturity dates, interest rates, payment schedules, sale prices and other terms of the Bonds should be established by a supplemental resolution, 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 amounts, dates, maturity dates, interest rates, payment schedules, sale prices and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE WILDERNESS PUBLIC SERVICE DISTRICT, MOUNT NEBO, WEST VIRGINIA, AS FOLLOWS:

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

(A) Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the original principal amount of $1,905,856. The Series 2015 A Bonds shall be dated the date of delivery, shall finally

mature December 1, 2046, and shall bear interest at the rate of 0.5% per annum. The principal of the Series 2015 A Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2017, 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 2015 A Bonds. The Issuer does hereby approve and shall pay the Administrative Fee equal to 0.5% of the principal amount of the Series 2015 A Bonds as set forth in the "Schedule Y" attached to the Loan Agreement. The Series 2015 A Bonds shall be subject to redemption upon the written consent of the Authority and the BPH, 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 2015 A Bonds.

(B) Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), of the Issuer, originally represented by a single Bond, numbered BR-1, in the original principal amount of $464,715. The Series 2015 B Bonds shall be dated the date of delivery, shall bear no interest, and principal amounts advanced under the Series 2015 B Bonds shall be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2015 B Bonds shall be deemed no longer Outstanding after the last advance is forgiven. The Series 2015 B Bonds shall be subject to redemption upon the written consent of the Authority and the BPH, 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 2015 B Bonds.

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

Section 3. The Issuer hereby ratifies, approves and accepts the Loan Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, 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 BPH, the Infrastructure Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer hereby appoints and designates United Bank, Inc., Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Resolution and approves and accepts the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed and approved.

Section 5. The Issuer hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Commission"), to serve as Paying Agent for the Bonds under the Bond Resolution.

Section 6. The Issuer hereby appoints and designates Branch Banking & Trust Co. ("BB&T"), Summersville, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2015 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2015 A Bonds Sinking Fund as capitalized interest.

Section 8. Series 2015 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2015 A Bonds Reserve Account.

Section 9. Series 2015 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2015 B Bonds Sinking Fund as capitalized interest.

Section 10. Series 2015 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2015 B Bonds Reserve Account.

Section 11. The balance of the proceeds of the Bonds, as advanced from time to time, shall be deposited in or credited to the Series 2015 Bonds Construction Trust Fund, as received from time to time for payment of costs of the Project, including costs of issuance of the Bonds.

Section 12. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered to the Authority pursuant to the Loan Agreement on or about August 19, 2015.

Section 13. The acquisition and construction of the Project and the financing thereof 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 14. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, in money market accounts secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to invest all moneys in such money market accounts until further directed in writing by the Issuer. Moneys in the Series 2015 A Bonds Sinking Fund and the Series 2015 A Bonds Reserve Account shall be invested by the Commission in the West Virginia Consolidated Fund.

Section 15. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

Section 16. The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia.

Section 17. The Issuer hereby approves the costs of issuance and authorizes the payment of the same.

Section 18. The Issuer hereby authorizes the sweeping of its revenue account by the Municipal Bond Commission each month for the Series 2015 A Bonds Sinking Fund and the Series 2015 A Bonds Reserve Account.

Section 19. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 30th day of July, 2015.

Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of the Wilderness Public Service District on the 6th day of August, 2015.

Dated this 12th day of August, 2015.

[SEAL]

Secretary

ON FILE WITH ISSUER

The Nicholas Chronicle

A Division of Nicholas County Publishing Co., Inc.
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Page: 1

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ATTN: MIKELE MOORE
500 LEE ST. SUITE 1600
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CHARLESTON, WV 25301-3202

Description	Amount
LEGAL ADVERTISEMENT WILDERNESS PUBLIC SERVICE DISTRICT NOTICE OF SPECIAL MEETING ON JULY 30, 2015 REGARDING CONSIDER/ADOPT PROPOSED BOND RESOLUTION... First publication 7/16/2015 (333 words @ .12¢/word))	$39.96

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Total Amount:	$39.96
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The Nicholas Chronicle a division of Nicholas County Publishing Company Inc.

I, Raymond W. Corbin, News Editor of The Nicholas Chronicle, a weekly newspaper published at Summersville in the County of Nicholas, and the State of West Virginia, do certify that the hereto attached Legal Advertisement - Jackson & Kelly, 500 Lee St. East, P. O. Box 533, Charleston, West Virginia 25322; **WILDERNESS PUBLIC SERVICE DISTRICT NOTICE OF SPECIAL MEETING ON JULY 30, 2015 REGARDING CONSIDER/ADOPT PROPOSED BOND RESOLUTION…** appeared in said newspaper for 1 week, on the 16th day of July, 2015.

Given under my hand this 16th day of July, 2015.

By Raymond W. Corbin, News Editor.

Fee for publication:

333 words @ $.12 per word, for a total cost of $39.96.

The foregoing instrument was acknowledged before me this the 16th day of July, 2015.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
MATTHEW R. YEAGER
THE NICHOLAS CHRONICLE
718 BROAD STREET
SUMMERSVILLE, WV 26651
My commission expires July 7, 2018

Matthew R. Yeager

Notary Public

My commission expires July 7, 2018.

WILDERNESS PUBLIC SERVICE DISTRICT

NOTICE OF SPECIAL MEETING

The Public Service Board of Wilderness County Public Service District (the "District") will hold a special meeting on Thursday, July 30, 2015, at 10:00 a.m., prevailing time, at the District's office at 589 Riviera Drive, Mount Nebo, West Virginia, for the following purposes:

1. To consider and adopt proposed Bond Resolution authorizing its Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), in the aggregate principal amount not to exceed $1,905,856, and Water Revenue Bonds Series 2015 B (West Virginia DWTRF Program), in the aggregate principal amount not to exceed $464,715, (the "Bonds"), to permanently finance a portion of the costs of certain improvements and extensions to the existing public water system of the District (the "Project").

2. To consider and adopt proposed Bond Resolution and Supplemental Resolution approving the terms and other provisions of the Bonds.

3. To consider and approve all other resolution documents and matters in connection with the Project.

This meeting is open to the press and the public and any person interested may attend such meeting.

/s/ Debbie Gilbert
Secretary
7/16 1t

NUMBER
AR-1

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)

No. AR-1 $1,905,856

KNOW ALL MEN BY THESE PRESENTS: The 12th day of August, 2015, that WILDERNESS PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Webster County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of ONE MILLION NINE HUNDRED FIVE THOUSAND EIGHT HUNDRED FIFTY SIX DOLLARS ($1,905,856), 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, 2017, to and including December 1, 2046, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The Administrative Fee of 0.5% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2017, as set forth on said EXHIBIT B.

This Bond shall bear 0.5% annual interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated August 12, 2015.

This Bond is issued (i) to pay a portion of the costs of acquisition, construction and installation of improvements and extensions to the existing public waterworks 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 waterworks system of the Issuer, the Project and any further improvements or extensions 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 16, Article 13A and Chapter 16, Article 13C of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on July 30, 2015, and a Supplemental Resolution duly adopted by the Issuer on July 30, 2015 (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) WATER REVENUE BONDS, SERIES 1979 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED DECEMBER 7, 1979, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $740,000 (THE "SERIES 1979 BONDS"); (2) WATER REVENUE BONDS, SERIES 1992 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED JULY 15, 1992, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $350,000 (THE "SERIES 1992 BONDS"); (3) WATER REVENUE BONDS, SERIES 1997 BONDS (UNITED STATES DEPARTMENT OF AGRICULTURE), SEPTEMBER 18, 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $750,000 (THE "SERIES 1997 BONDS"); AND (4) WATER REVENUE BONDS, SERIES 2001 A BONDS (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED AUGUST 8, 2001, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,200,000 (THE "SERIES 2001 A BONDS"), (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net 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 2015 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and 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, except from said special fund provided from the Net Revenues, the monies in the Series 2015 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the

maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to, on a parity with or junior to the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2015 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, 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 United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the 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 Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairperson and its corporate seal, if any, to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

SPECIMEN

[SEAL]

Chairperson

ATTEST:

SPECIMEN

Secretary

NUMBER
AR-1

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2015 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: August 12, 2015.

SPECIMEN

United Bank, Inc.,
as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

SPECIMEN

AMOUNT	DATE	AMOUNT	DATE
(1) $64,818.00	August 12, 2015	(18) $	
(2) $		(19) $	
(3) $		(20) $	
(4) $		(21) $	
(5) $		(22) $	
(6) $		(23) $	
(7) $		(24) $	
(8) $		(25) $	
(9) $		(26) $	
(10) $		(27) $	
(11) $		(28) $	
(12) $		(29) $	
(13) $		(30) $	
(14) $		(31) $	
(15) $		(32) $	
(16) $		(33) $	
(17) $		(34) $	
		(35) $	

TOTAL $_____

NUMBER
AR-1

SPECIMEN

EXHIBIT B
DEBT SERVICE SCHEDULE

Net Debt Service
Wilderness PSD
DWTRF
$1,905,856
0.5% Interest Rate
0.5% Administrative Fee
30 Years

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
3/1/2017	14,731	0.500%	2,382.32	17,113.32	1,230.84	1,711.33	20,055.49
6/1/2017	14,749	0.500%	2,363.91	17,112.91	1,230.84	1,711.33	20,055.08
9/1/2017	14,767	0.500%	2,345.47	17,112.47	1,230.84	1,711.33	20,054.64
12/1/2017	14,786	0.500%	2,327.01	17,113.01	1,230.84	1,711.33	20,055.18
3/1/2018	14,804	0.500%	2,308.53	17,112.53	1,230.84	1,711.33	20,054.70
6/1/2018	14,823	0.500%	2,290.02	17,113.02	1,230.84	1,711.33	20,055.19
9/1/2018	14,841	0.500%	2,271.50	17,112.50	1,230.84	1,711.33	20,054.67
12/1/2018	14,860	0.500%	2,252.94	17,112.94	1,230.84	1,711.33	20,055.11
3/1/2019	14,879	0.500%	2,234.37	17,113.37	1,230.84	1,711.33	20,055.54
6/1/2019	14,897	0.500%	2,215.77	17,112.77	1,230.84	1,711.33	20,054.94
9/1/2019	14,916	0.500%	2,197.15	17,113.15	1,230.84	1,711.33	20,055.32
12/1/2019	14,934	0.500%	2,178.50	17,112.50	1,230.84	1,711.33	20,054.67
3/1/2020	14,953	0.500%	2,159.84	17,112.84	1,230.84	1,711.33	20,055.01
6/1/2020	14,972	0.500%	2,141.15	17,113.15	1,230.84	1,711.33	20,055.32
9/1/2020	14,991	0.500%	2,122.43	17,113.43	1,230.84	1,711.33	20,055.60
12/1/2020	15,009	0.500%	2,103.69	17,112.69	1,230.84	1,711.33	20,054.86
3/1/2021	15,028	0.500%	2,084.93	17,112.93	1,230.84	1,711.33	20,055.10
6/1/2021	15,047	0.500%	2,066.15	17,113.15	1,230.84	1,711.33	20,055.32
9/1/2021	15,066	0.500%	2,047.34	17,113.34	1,230.84	1,711.33	20,055.51
12/1/2021	15,084	0.500%	2,028.50	17,112.50	1,230.84	1,711.33	20,054.67
3/1/2022	15,103	0.500%	2,009.65	17,112.65	1,230.84	1,711.33	20,054.82
6/1/2022	15,122	0.500%	1,990.77	17,112.77	1,230.84	1,711.33	20,054.94
9/1/2022	15,141	0.500%	1,971.87	17,112.87	1,230.84	1,711.33	20,055.04
12/1/2022	15,160	0.500%	1,952.94	17,112.94	1,230.84	1,711.33	20,055.11
3/1/2023	15,179	0.500%	1,933.99	17,112.99	1,230.84	1,711.33	20,055.16
6/1/2023	15,198	0.500%	1,915.02	17,113.02	1,230.84	1,711.33	20,055.19
9/1/2023	15,217	0.500%	1,896.02	17,113.02	1,230.84	1,711.33	20,055.19
12/1/2023	15,236	0.500%	1,877.00	17,113.00	1,230.84	1,711.33	20,055.17
3/1/2024	15,255	0.500%	1,857.95	17,112.95	1,230.84	1,711.33	20,055.12
6/1/2024	15,274	0.500%	1,838.89	17,112.89	1,230.84	1,711.33	20,055.06
9/1/2024	15,293	0.500%	1,819.79	17,112.79	1,230.84	1,711.33	20,054.96
12/1/2024	15,312	0.500%	1,800.68	17,112.68	1,230.84	1,711.33	20,054.85
3/1/2025	15,331	0.500%	1,781.54	17,112.54	1,230.84	1,711.33	20,054.71
6/1/2025	15,351	0.500%	1,762.37	17,113.37	1,230.84	1,711.33	20,055.54
9/1/2025	15,370	0.500%	1,743.18	17,113.18	1,230.84	1,711.33	20,055.35
12/1/2025	15,389	0.500%	1,723.97	17,112.97	1,230.84	1,711.33	20,055.14
3/1/2026	15,408	0.500%	1,704.74	17,112.74	1,230.84	1,711.33	20,054.91
6/1/2026	15,427	0.500%	1,685.48	17,112.48	1,230.84	1,711.33	20,054.65
9/1/2026	15,447	0.500%	1,666.19	17,113.19	1,230.84	1,711.33	20,055.36
12/1/2026	15,466	0.500%	1,646.88	17,112.88	1,230.84	1,711.34	20,055.06
3/1/2027	15,485	0.500%	1,627.55	17,112.55	1,230.84	-	18,343.39
6/1/2027	15,505	0.500%	1,608.19	17,113.19	1,230.84	-	18,344.03
9/1/2027	15,524	0.500%	1,588.81	17,112.81	1,230.84	-	18,343.65
12/1/2027	15,544	0.500%	1,569.41	17,113.41	1,230.84	-	18,344.25
3/1/2028	15,563	0.500%	1,549.98	17,112.98	1,230.84	-	18,343.82
6/1/2028	15,582	0.500%	1,530.52	17,112.52	1,230.84	-	18,343.36

NUMBER AR-1

SPECIMEN

Net Debt Service
Wilderness PSD
DWTRF
$1,905,856
0.5% Interest Rate
0.5% Administrative Fee
30 Years

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
9/1/2028	15,602	0.500%	1,511.05	17,113.05	1,230.84	-	18,343.89
12/1/2028	15,621	0.500%	1,491.54	17,112.54	1,230.84	-	18,343.38
3/1/2029	15,641	0.500%	1,472.02	17,113.02	1,230.84	-	18,343.86
6/1/2029	15,661	0.500%	1,452.47	17,113.47	1,230.84	-	18,344.31
9/1/2029	15,680	0.500%	1,432.89	17,112.89	1,230.84	-	18,343.73
12/1/2029	15,700	0.500%	1,413.29	17,113.29	1,230.84	-	18,344.13
3/1/2030	15,719	0.500%	1,393.67	17,112.67	1,230.84	-	18,343.51
6/1/2030	15,739	0.500%	1,374.02	17,113.02	1,230.84	-	18,343.86
9/1/2030	15,759	0.500%	1,354.34	17,113.34	1,230.84	-	18,344.18
12/1/2030	15,778	0.500%	1,334.64	17,112.64	1,230.84	-	18,343.48
3/1/2031	15,798	0.500%	1,314.92	17,112.92	1,230.84	-	18,343.76
6/1/2031	15,818	0.500%	1,295.17	17,113.17	1,230.84	-	18,344.01
9/1/2031	15,838	0.500%	1,275.40	17,113.40	1,230.84	-	18,344.24
12/1/2031	15,857	0.500%	1,255.60	17,112.60	1,230.84	-	18,343.44
3/1/2032	15,877	0.500%	1,235.78	17,112.78	1,230.84	-	18,343.62
6/1/2032	15,897	0.500%	1,215.94	17,112.94	1,230.84	-	18,343.78
9/1/2032	15,917	0.500%	1,196.07	17,113.07	1,230.84	-	18,343.91
12/1/2032	15,937	0.500%	1,176.17	17,113.17	1,230.84	-	18,344.01
3/1/2033	15,957	0.500%	1,156.25	17,113.25	1,230.84	-	18,344.09
6/1/2033	15,977	0.500%	1,136.30	17,113.30	1,230.84	-	18,344.14
9/1/2033	15,997	0.500%	1,116.33	17,113.33	1,230.84	-	18,344.17
12/1/2033	16,017	0.500%	1,096.33	17,113.33	1,230.84	-	18,344.17
3/1/2034	16,037	0.500%	1,076.31	17,113.31	1,230.84	-	18,344.15
6/1/2034	16,057	0.500%	1,056.27	17,113.27	1,230.84	-	18,344.11
9/1/2034	16,077	0.500%	1,036.20	17,113.20	1,230.84	-	18,344.04
12/1/2034	16,097	0.500%	1,016.10	17,113.10	1,230.84	-	18,343.94
3/1/2035	16,117	0.500%	995.98	17,112.98	1,230.84	-	18,343.82
6/1/2035	16,137	0.500%	975.83	17,112.83	1,230.84	-	18,343.67
9/1/2035	16,157	0.500%	955.66	17,112.66	1,230.84	-	18,343.50
12/1/2035	16,178	0.500%	935.46	17,113.46	1,230.84	-	18,344.30
3/1/2036	16,198	0.500%	915.24	17,113.24	1,230.84	-	18,344.08
6/1/2036	16,218	0.500%	894.99	17,112.99	1,230.84	-	18,343.83
9/1/2036	16,238	0.500%	874.72	17,112.72	1,230.84	-	18,343.56
12/1/2036	16,259	0.500%	854.42	17,113.42	1,230.84	-	18,344.26
3/1/2037	16,279	0.500%	834.10	17,113.10	1,230.84	-	18,343.94
6/1/2037	16,299	0.500%	813.75	17,112.75	1,230.84	-	18,343.59
9/1/2037	16,320	0.500%	793.38	17,113.38	1,230.84	-	18,344.22
12/1/2037	16,340	0.500%	772.98	17,112.98	1,230.84	-	18,343.82
3/1/2038	16,360	0.500%	752.55	17,112.55	1,230.84	-	18,343.39
6/1/2038	16,381	0.500%	732.10	17,113.10	1,230.84	-	18,343.94
9/1/2038	16,401	0.500%	711.63	17,112.63	1,230.84	-	18,343.47
12/1/2038	16,422	0.500%	691.13	17,113.13	1,230.84	-	18,343.97
3/1/2039	16,442	0.500%	670.60	17,112.60	1,230.84	-	18,343.44
6/1/2039	16,463	0.500%	650.05	17,113.05	1,230.84	-	18,343.89
9/1/2039	16,484	0.500%	629.47	17,113.47	1,230.84	-	18,344.31
12/1/2039	16,504	0.500%	608.86	17,112.86	1,230.84	-	18,343.70

NUMBER
AR-1

SPECIMEN

Net Debt Service
Wilderness PSD
DWTRF
$1,905,856
0.5% Interest Rate
0.5% Administrative Fee
30 Years

Date	Principal	Coupon	Interest	Total Debt Service	Admin Fee	Reserve Fund	Net Debt Service
3/1/2040	16,525	0.500%	588.23	17,113.23	1,230.84	-	18,344.07
6/1/2040	16,545	0.500%	567.58	17,112.58	1,230.84	-	18,343.42
9/1/2040	16,566	0.500%	546.89	17,112.89	1,230.84	-	18,343.73
12/1/2040	16,587	0.500%	526.19	17,113.19	1,230.84	-	18,344.03
3/1/2041	16,608	0.500%	505.45	17,113.45	1,230.84	-	18,344.29
6/1/2041	16,628	0.500%	484.69	17,112.69	1,230.84	-	18,343.53
9/1/2041	16,649	0.500%	463.91	17,112.91	1,230.84	-	18,343.75
12/1/2041	16,670	0.500%	443.10	17,113.10	1,230.84	-	18,343.94
3/1/2042	16,691	0.500%	422.26	17,113.26	1,230.84	-	18,344.10
6/1/2042	16,712	0.500%	401.40	17,113.40	1,230.84	-	18,344.24
9/1/2042	16,732	0.500%	380.51	17,112.51	1,230.84	-	18,343.35
12/1/2042	16,753	0.500%	359.59	17,112.59	1,230.84	-	18,343.43
3/1/2043	16,774	0.500%	338.65	17,112.65	1,230.84	-	18,343.49
6/1/2043	16,795	0.500%	317.68	17,112.68	1,230.84	-	18,343.52
9/1/2043	16,816	0.500%	296.69	17,112.69	1,230.84	-	18,343.53
12/1/2043	16,837	0.500%	275.67	17,112.67	1,230.84	-	18,343.51
3/1/2044	16,858	0.500%	254.62	17,112.62	1,230.84	-	18,343.46
6/1/2044	16,879	0.500%	233.55	17,112.55	1,230.84	-	18,343.39
9/1/2044	16,901	0.500%	212.45	17,113.45	1,230.84	-	18,344.29
12/1/2044	16,922	0.500%	191.32	17,113.32	1,230.84	-	18,344.16
3/1/2045	16,943	0.500%	170.17	17,113.17	1,230.84	-	18,344.01
6/1/2045	16,964	0.500%	148.99	17,112.99	1,230.84	-	18,343.83
9/1/2045	16,985	0.500%	127.79	17,112.79	1,230.84	-	18,343.63
12/1/2045	17,006	0.500%	106.56	17,112.56	1,230.84	-	18,343.40
3/1/2046	17,028	0.500%	85.30	17,113.30	1,230.84	-	18,344.14
6/1/2046	17,049	0.500%	64.01	17,113.01	1,230.84	-	18,343.85
9/1/2046	17,070	0.500%	42.70	17,112.70	1,230.84	-	18,343.54
12/1/2046	17,092	0.500%	21.37	17,113.37	1,230.84	-	18,344.21
	1,905,856		147,700.19	2,053,556.19	147,700.80	68,453.21	2,269,710.20

Notes:

Estimated Monthly Net Debt Service Payments as follows:

1. $6,685.20 from 12/01/2016 through 11/01/2026 (based on maximum quarterly payment of $20,055.60 and monthly payment rounded up to the nearest cent)
2. $6,114.77 from 12/01/2026 through 11/01/2046 (based on maximum quarterly payment of $18,344.31 and monthly payment rounded up to the nearest cent)
3. Reserve Fund equal to $68,453.21 (maximum annual debt service) funded up over 10 years
4. Admin Fee calculated based on percent of bond value computed quarterly paid in equal quarterly payments rounded up to the nearest cent.

NUMBER
AR-1

SPECIMEN

(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:

_____

NUMBER
BR-1

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

No. BR-1 $464,715

KNOW ALL MEN BY THESE PRESENTS: That on this 12th day of August, 2015, WILDERNESS PUBLIC SERVICE DISTRICT, a public service district and public corporation and political subdivision of the State of West Virginia in Nicholas County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FOUR HUNDRED SIXTY FOUR THOUSAND SEVEN HUNDRED FIFTEEN DOLLARS ($464,715), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously forgiven, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein. This Bond shall not be subject to the Administrative Fee.

This Bond shall bear no interest. Principal installments of this Bond are 100% forgivable as set forth in the Loan Agreement. The Bond shall be deemed no longer outstanding after the last advance is forgiven.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Bureau for Public Health (the "BPH"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the BPH, dated August 12, 2015.

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

30, 2015, and a Supplemental Resolution duly adopted by the Issuer on July 30, 2015 (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.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of United Bank, Inc., Charleston, West Virginia (the "Registrar") by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Registered Owner or its attorney duly authorized in writing.

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 United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the Registered Owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the 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 Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL] SPECIMEN

SPECIMEN

Chairperson

ATTEST:

SPECIMEN

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2015 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below.

Date: August 12, 2015. SPECIMEN

United Bank, Inc.,
as Registrar

SPECIMEN

Authorized Officer

SPECIMEN

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 $_____

(Form of)

SPECIMEN

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer 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: _____, 20____.

_____

In the presence of:

_____

BOND REGISTER 2.10(a)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)

Bond Number	Principal Amount	Date of Bond
No. AR-1	$1,905,856	August 12, 2015

NO WRITING ON THIS BOND REGISTER EXCEPT BY THE REGISTRAR

Name of Registered Owner:

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Signature of Registrar:

United Bank, Inc.

Authorized Representative

4840-9028-8165.v1-7/29/15

BOND REGISTER 2.10(b)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

Bond Number	Principal Amount	Date of Bond
No. BR-1	$464,715	August 12, 2015

NO WRITING ON THIS BOND REGISTER EXCEPT BY THE REGISTRAR

Name of Registered Owner:

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Signature of Registrar:

United Bank, Inc.

Authorized Representative

_____

_____

_____

WEST VIRGINIA
Water Development Authority
Celebrating 40 Years of Service 1974 - 2015

2.11

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)
AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

CONSENT TO ISSUANCE OF BONDS

In reliance upon a certificate of the Issuer's certified public accountant and the opinion of Jackson Kelly PLLC, bond counsel, stating that the coverage and parity requirements have been met, the undersigned duly authorized representative of the West Virginia Water Development Authority, the registered owner of the First Lien Bonds, hereinafter defined and described, hereby consents to the issuance of the (i) Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), in the original aggregate principal amount of $1,905,856 (the "Series 2015 A Bonds"); and (ii) Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), in the original aggregate principal amount of $464,715 (the "Series 2015 B Bonds" and together with the Series 2015 A Bonds, the "Series 2015 Bonds"), by Wilderness Public Service District (the "Issuer"), under the terms of the resolutions authorizing the Series 2015 Bonds, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's (1) Design Funding Assistance Note, Series 2014 A (West Virginia DWTRF Program), dated January 31, 2014, issued in the original aggregate principal amount of $143,924 (the "Series 2014 A Note").

WITNESS my signature on this 12th day of August, 2015.

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

Sheila A. Miller
Authorized Representative

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304) 414-0865
www.wvwda.org

USDA

United States Department of Agriculture

Rural Development

West Virginia
State Office

1550 Earl Core Road,
Suite 101
Morgantown, WV
26505

Voice 304.284.4860
1.800.295.8228
Fax 855.859.1835

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)
AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

CONSENT TO ISSUANCE OF PARITY BONDS

The undersigned duly authorized representative of the United States of America, acting through the United States Department of Agriculture, Rural Development, the registered owner of the Prior Bonds, hereinafter defined and described, hereby consents to the issuance of the (i) Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), in the original aggregate principal amount of $1,905,856 (the "Series 2015 A Bonds"); and (ii) Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), in the original aggregate principal amount of $464,715 (the "Series 2015 B Bonds" and together with the Series 2015 A Bonds, the "Series 2015 Bonds"), by Wilderness Public Service District (the "Issuer"), under the terms of the resolutions authorizing the Series 2015 Bonds (the "Resolution"), on a parity with respect to liens, pledge and source of and security for payment with the Issuer's: (1) Water Revenue Bonds, Series 1979 (United States Department of Agriculture), dated December 7, 1979, issued in the original aggregate principal amount of $740,000 (the "Series 1979 Bonds"); (2) Water Revenue Bonds, Series 1992 (United States Department of Agriculture), dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds"); (3) Water Revenue Bonds, Series 1997 Bonds (United States Department of Agriculture), September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds"); and (4) Water Revenue Bonds, Series 2001 A Bonds (United States Department of Agriculture), dated August 8, 2001, issued in the original aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds"), (collectively, the "Prior Bonds"); (ii) waives any requirements imposed by the Prior Bonds or the resolutions authorizing the Prior Bonds (the "Prior Resolutions"), regarding the issuance of parity bonds which are not met by the Series 2015 Bonds or the Resolution; and (iii) consents to any amendments made to the Prior Resolutions by the Resolution.

WITNESS my signature on this 12th day of August, 2015.

UNITED STATES OF AMERICA,
UNITED STATES DEPARTMENT OF
AGRICULTURE, RURAL DEVELOPMENT

State Director

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WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

Date of Closing: August 8, 2001

BOND TRANSCRIPT

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WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

BOND TRANSCRIPT

Table of Contents

BASIC DOCUMENTS

1. Bond Resolution
2. Supplemental Resolution Transferring Prior Reserve Accounts and Amending Prior Resolutions
3. 1979 Bond Resolution
4. 1992 Bond Resolution
5. 1997 Bond Resolution
6. Consent to Issuance of Parity Bonds
7. Public Service Commission Order
8. Receipt for Bond and Transcripts
9. Specimen Bond

OPINIONS OF COUNSEL

10. Approving Opinion of Steptoe & Johnson PLLC, Bond Counsel
11. Opinion of Counsel to Issuer

CERTIFICATES

12. Combined Certificate of Issuer and Attorney

13. Engineer's Certificate

DOCUMENTS OF THE ISSUER .

14. County Commission Orders Regarding Creation and Enlargement of the District and Approval of Public Service Commission

15. County Commission Orders of Appointment of Current Boardmembers

16. Oaths of Office of Current Boardmembers

17. Rules of Procedure

18. Affidavit of Publication on Borrowing

19. Minutes of Current Year Organizational Meeting and on Adoption of Bond Resolution and Supplemental Resolution and Affidavit of Publication of Special Meeting

20. Municipal Bond Commission New Issue Reports

MISCELLANEOUS DOCUMENTS

21. United States Department of Agriculture Letter of Conditions and Closing Instructions

22. (A) United States Department of Agriculture Grant Agreement

    (B) United States Department of Agriculture Loan Resolution

23. Appalachian Regional Commission Grant Agreement

24. Small Cities Block Grant Agreement

25. Receipt of Depository Bank

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

BOND RESOLUTION

Table of Contents

Subject		Page
	ARTICLE I STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS	
Section 1.01	Authority for This Resolution	1
Section 1.02	Findings and Determinations	1
Section 1.03	Bond Legislation Constitutes Contract	3
Section 1.04	Definitions	4
	ARTICLE II AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT	
Section 2.01	Authorization of Acquisition and Construction of the Project	9
	ARTICLE III AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF BONDS	
Section 3.01	Authorization of Bonds	10
Section 3.02	Description of Bonds	10
Section 3.03	Negotiability, Registration, Transfer and Exchange of Bonds	10
Section 3.04	Bond Registrar	11
Section 3.05	Execution of Bonds	11
Section 3.06	Bonds Mutilated, Destroyed, Stolen or Lost	11
Section 3.07	Bonds Secured by Pledge of Net Revenues	12
Section 3.08	Form of Bond	12
	FORM OF BOND	13

ARTICLE IV
SYSTEM REVENUES AND APPLICATION THEREOF; DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS

Section 4.01 Establishment of Funds and Accounts with Depository Bank 19
Section 4.02 Establishment of Funds and Accounts with Commission 19
Section 4.03 Bond Proceeds; Project Construction Account 19
Section 4.04 Covenants of the Issuer as to System Revenues and Funds 20
Section 4.05 Interim Construction Financing 25

ARTICLE V
GENERAL COVENANTS, ETC.

Section 5.01 General Statement 26
Section 5.02 Rates 26
Section 5.03 Sale of the System 26
Section 5.04 Issuance of Additional Parity Bonds or Obligations 26
Section 5.05 Insurance and Bonds 26
Section 5.06 Statutory Mortgage Lien 28
Section 5.07 Events of Default 28
Section 5.08 Enforcement 29
Section 5.09 Fiscal Year; Budget 29
Section 5.10 Compensation of Members of Governing Body 29
Section 5.11 Covenant to Proceed and Complete 30
Section 5.12 Books and Records; Audits 30
Section 5.13 Maintenance of System 30
Section 5.14 No Competition 30

ARTICLE VI
RATES, ETC.

Section 6.01 Initial Schedule of Rates and Charges; Rules 31

ARTICLE VII
MISCELLANEOUS

Section 7.01 Payment of Bonds 32
Section 7.02 Modification or Amendment 32
Section 7.03 Delivery of Bonds 32
Section 7.04 Severability of Invalid Provisions 32
Section 7.05 Conflicting Provisions Repealed 32
Section 7.06 Table of Contents and Headings 32

Section 7.07 Covenant of Due Procedure, Etc. 33
Section 7.08 Effective Time 33
SIGNATURES 33
CERTIFICATION 34

WILDERNESS PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC SERVICE PROPERTIES CONSISTING OF ADDITIONS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING WATERWORKS SYSTEM OF WILDERNESS PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2001 A (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT

BE IT RESOLVED AND ORDERED BY THE PUBLIC SERVICE BOARD OF WILDERNESS PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for This Resolution. This Resolution is adopted pursuant to the provisions of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law. Wilderness Public Service District (the "Issuer") is a public corporation and public service district and political subdivision of the State of West Virginia in Nicholas County of said State, duly created pursuant to the Act by the County Commission of Nicholas County.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

A. The Issuer currently owns and operates a public waterworks system and desires to finance and acquire, construct, operate and maintain certain additional public service properties consisting of additions, improvements and extensions to such existing

waterworks facilities with all appurtenant facilities, within the boundaries of the Issuer to be owned and operated by the Issuer.

B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer, and, accordingly, it is hereby ordered, that there be acquired and constructed certain additions, improvements and extensions to the existing waterworks facilities of the Issuer, consisting of the installation of 55,500 linear feet of 8", 50,300 linear feet of 6", and 22,100 linear feet of 2" water lines, one booster station, one 125,000 gallon water storage tank, two pressure reducing stations, and all necessary appurtenant facilities (the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Secretary of the Public Service Board (the "Governing Body") of the Issuer. The existing waterworks facilities of the Issuer, together with the Project and any further additions, improvements or extensions thereto, are herein called the "System." The acquisition and construction of the Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

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

D. The estimated maximum cost of the acquisition and construction of the Project is $4,336,412, of which $1,200,000 will be obtained from the proceeds of sale of the Series 2001 A Bonds herein authorized, $947,000 will be obtained from a grant from the Purchaser, $1,240,200 will be obtained from a grant from the Appalachian Regional Commission and $949,212 will be obtained from a grant from the Small Cities Block Grant Program.

E. It is necessary for the Issuer to issue its Water Revenue Bonds, Series 2001 A (United States Department of Agriculture), in the aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds"), to finance a portion of the cost of such acquisition and construction in the manner hereinafter provided. The cost of such acquisition and construction shall be deemed to include, without being limited to, the acquisition and construction of the Project; the cost of all property rights, easements and franchises deemed necessary or convenient therefor and for the improvements and extensions thereto; interest on the Series 2001 A Bonds prior to, during and for six months after completion of such acquisition and construction of the improvements and extensions; engineering, fiscal agents and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the Project, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the acquisition and construction

of the properties and the placement of same in operation; provided that, reimbursement to the Issuer for any amounts expended by it for the repayment of indebtedness incurred for costs of the Project by the Issuer shall be deemed costs of the Project.

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

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2001 A Bonds as to liens, pledge and source of and security for payment, being the Water Revenue Bonds, Series 1979, dated December 7, 1979, issued in the original aggregate principal amount of $740,000, Water Revenue Bonds, Series 1992, dated July 15, 1992, issued in the original aggregate principal amount of $350,000, and Water Revenue Bonds, Series 1997, dated September 18, 1997, issued in the original aggregate principal amount of $750,000 (collectively, the "Prior Bonds"), and held by the Purchaser. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which rank prior to or on a parity with the Series 2001 A Bonds as to liens, pledge and/or source of and security for payment.

The Issuer is not in default under the terms of the Prior Bonds, or the resolutions authorizing issuance of the Prior Bonds or any document in connection therewith, and has complied with all requirements of all the foregoing with respect to the issuance of parity bonds or has obtained a sufficient and valid consent or waiver thereof.

H. It is in the best interest of the Issuer that the Series 2001 A Bonds be sold to the Purchaser, pursuant to the terms and provisions of the Letter of Conditions, dated January 25, 2001, and all amendments thereto, if any (collectively, the "Letter of Conditions").

I. The Issuer has complied with all requirements of law relating to the authorization of the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Series 2001 A Bonds, or will have so complied prior to issuance of the Series 2001 A Bonds, including, among other things and without limitation, obtaining a certificate of public convenience and necessity and approval of the financing and necessary user rates and charges from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired or shall have been duly waived or otherwise provided for.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2001 A Bonds by those who shall be the Registered Owner of the same from time to time, this Resolution (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owner, and the covenants and agreements set forth herein to be performed by the Issuer shall be for the benefit, protection and security of the Registered Owner of the Series 2001 A Bonds.

Section 1.04. Definitions. In addition to capitalized terms defined elsewhere herein, the following terms shall have the following meanings herein unless the text otherwise expressly requires:

"Act" means Chapter 16, Article 13A of the West Virginia Code of 1931, as amended.

"Bond Legislation" means this Resolution and all resolutions supplemental hereto and amendatory hereof.

"Bond Registrar" means the Issuer, which shall usually so act by its Secretary.

"Bonds" means, collectively, the Series 2001 A Bonds and the Prior Bonds.

"Chairman" means the Chairman of the Governing Body.

"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 Engineer" means, Stafford Consultants, Incorporated, Princeton, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

"Depository Bank" means Branch Banking and Trust Company, Summersville, West Virginia, a bank or trust company which is a member of FDIC (herein defined), and its successors and assigns.

"Facilities" or "waterworks facilities" means all the tangible properties of the System and also any tangible properties which may hereafter be added to the System by additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

"FDIC" means the Federal Deposit Insurance Corporation.

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

"Governing Body" means the Public Service Board of the Issuer.

"Government Obligations" means direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America.

"Grants" means, collectively, all grants committed for the Project.

"Herein" or "herein" means in this Bond Legislation.

"Issuer," "Borrower" or "District" means Wilderness Public Service District, a public service district and a public corporation and a political subdivision of the State of West Virginia, in Nicholas County, West Virginia, and includes the Governing Body.

"Letter of Conditions" means, collectively, the Letter of Conditions of the Purchaser dated January 25, 2001, and all amendments thereto, if any.

"Minimum Reserve" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2001 A Bonds in the then current or any succeeding year.

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

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting principles and retention of a sum not to exceed one-sixth of the budgeted Operating Expenses stated above for the current year as working capital, and language herein requiring payment of Operating Expenses means also retention of not to exceed such sum as working capital; provided that, all monthly amortization payments upon the Bonds and the Prior Bonds and into the Reserve Fund and Depreciation Reserve have been made to the last monthly payment date prior to the date of such retention.

"Prior Bonds" means the Water Revenue Bonds, Series 1979, Water Revenue Bonds, Series 1992 and Water Revenue Bonds, Series 1997, of the Issuer described in Section 1.02G hereof.

"Prior Resolutions" means, collectively, the resolution of the Issuer, adopted January 22, 1979 (the "1979 Resolution"), authorizing the issuance of the Series 1979 Bonds, the resolution of the Issuer, adopted July 14, 1992 (the "1992 Resolution"), authorizing the issuance of the Series 1992 Bonds and the resolution of the Issuer, adopted September 18, 1997, (the "1997 Resolution"), authorizing the issuance of the Series 1997 Bonds.

"Project" shall have the meaning stated in Section 1.02B above.

"Purchaser" or "Government" means United States Department of Agriculture, Rural Utilities Service, and any successor thereof, acting for and on behalf of the United States of America.

"Qualified Investments" means and includes any of the following, to the extent such investments are permitted by law:

(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 (hereinbefore defined) 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 Board of Investment Management pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

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

"Registered Owner," "Bondholder," "Holder of the Bonds" or any similar term means any person who shall be the registered owner of the Bonds.

"Resolutions" means, collectively, the Prior Resolutions and the Bond Legislation.

"Revenues" or "Gross Revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"Secretary" means the Secretary of the Governing Body.

"Series 2001 A Bonds" means the Water Revenue Bonds, Series 2001 A (United States Department of Agriculture), authorized hereby to be issued pursuant to this Bond Legislation.

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

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

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 neuter gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Chairman or the Secretary shall mean that such Bonds, certificate or other document may be executed or attested by an Acting Chairman or Acting Secretary.

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 $4,336,412, 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 2001 A Bonds hereby authorized shall be applied as provided in Article IV hereof.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF BONDS

Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions of the Bond Legislation, the Series 2001 A Bonds of the Issuer, to be known as "Water Revenue Bonds, Series 2001 A (United States Department of Agriculture)", are hereby authorized to be issued in the principal amount of $1,200,000, for the purpose of financing a portion of the cost of the acquisition and construction of the Project.

Section 3.02. Description of Bonds. The Series 2001 A Bonds shall be issued in single form, numbered AR-1, only as a fully registered Bond, and shall be dated the date of delivery thereof. The Series 2001 A Bonds shall bear interest from the date of delivery, payable monthly at the rate of 4.875% per annum, and shall be sold for the par value thereof.

The Series 2001 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the respective Bond forms hereinafter set forth.

Section 3.03. Negotiability, Registration, Transfer and Exchange of Bonds. The Series 2001 A Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the Series 2001 A Bonds, and the right to principal of and stated interest on the Series 2001 A Bonds, may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 3.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Series 2001 A Bonds for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Bond Registrar.

Whenever the Series 2001 A Bonds shall be surrendered for registration of transfer, the Issuer shall execute and deliver a new Bond or Bonds in authorized denominations, for a like aggregate principal amount. The Bond Registrar shall require the payment by the new owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, but the Issuer shall pay any other expenses incurred by the Bond Registrar with respect to such transfer.

No registration of transfer of the Series 2001 A Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Series 2001 A Bonds.

Section 3.04. Bond Registrar. The Issuer shall be the Bond Registrar and will keep, or cause to be kept by its agent, at its office, sufficient books for the registration and transfer of the Series 2001 A Bonds, and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register the Series 2001 A Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Series 2001 A Bonds as hereinbefore provided.

The Bond Registrar shall accept the Series 2001 A Bonds for registration or transfer only if ownership thereof is to be registered in the name of the Purchaser, an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The Series 2001 A Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America. So long as the Series 2001 A Bonds shall be registered in the name of the United States of America, the address of the United States of America for registration purposes shall be National Finance Office, St. Louis, Missouri 63103, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 3.05. Execution of Bonds. The Series 2001 A Bonds shall be executed in the name of the Issuer by the Chairman and its corporate seal shall be affixed thereto and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2001 A Bonds shall cease to be such officer of the Issuer before the Series 2001 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. The Series 2001 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 2001 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bonds or in lieu of and substitution for the Bonds destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Series 2001 A Bonds so surrendered shall be canceled and held for the account of the Issuer. If the Series 2001 A Bonds shall have

matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same, and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 3.07. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2001 A Bonds shall be secured forthwith by a first lien on the Net Revenues derived from the System, on a parity with the Prior Bonds. The Net Revenues derived from the System in an amount sufficient to pay the principal of and interest on the Series 2001 A Bonds and the Prior Bonds, and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Series 2001 A Bonds and the Prior Bonds as the same become due.

Section 3.08. Form of Bond. Subject to the provisions hereof, the text of the Series 2001 A Bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or by any resolution adopted after the date of adoption hereof and prior to the issuance thereof:

(FORM OF BOND)

WILDERNESS PUBLIC SERVICE DISTRICT

WATER REVENUE BOND, SERIES 2001 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

$1,200,000

No. AR-1 Date: _____, 2001

FOR VALUE RECEIVED, WILDERNESS PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of ONE MILLION TWO HUNDRED THOUSAND DOLLARS ($1,200,000), plus interest on the unpaid principal balance at the rate of 4.875% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first 24 months after the date hereof, and $5,796, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 40 years from the date of this Bond, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government 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.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of additions, extensions and improvements to the waterworks system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Borrower, as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized

denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions 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, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 16, Article 13A of the West Virginia Code, as amended (the "Act"), and a Resolution of the Borrower duly adopted August 6, 2001, authorizing issuance of this Bond (the "Resolution").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

THIS BOND IS ISSUED ON A PARITY, AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE BORROWER'S WATER REVENUE BONDS, SERIES 1979, WATER REVENUE BONDS, SERIES 1992, AND WATER REVENUE BONDS, SERIES 1997, AS DESCRIBED IN THE RESOLUTION.

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Bond to be executed by its Chairman and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Secretary, all as of the date hereinabove written.

WILDERNESS PUBLIC SERVICE DISTRICT
(Name of Borrower)

[CORPORATE SEAL]

(Signature of Executive Official)

Chairman, Public Service Board
(Title of Executive Official)

P. O. Box 37
P. O. Box No. or Street Address)

Mt. Nebo, West Virginia 26679
(City, State and Zip Code)

ATTEST:

(Signature of Attesting Official)

Secretary, Public Service Board
(Title of Executive Official)

(Form of)

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 $_____

(Form of Assignment)

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:

_____

ARTICLE IV

SYSTEM REVENUES AND APPLICATION THEREOF; DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS

Section 4.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are created with (or continued if previously established by the Prior Resolutions) and shall be held by the Depository Bank, separate and apart from all other funds or accounts of the Depository Bank and from each other:

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

(2) Series 1979 Bond Reserve Fund (established by the Prior Resolutions and continued hereby);

(3) Series 1992 Bond Reserve Fund (established by the Prior Resolutions and continued hereby);

(4) Series 1997 Bonds Reserve Fund (established by the Prior Resolutions and continued hereby);

(5) Depreciation Reserve (established by the Prior Resolutions); and

(6) Project Construction Account.

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 Resolutions) 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 2001 A Bonds Reserve Account.

Section 4.03. Bond Proceeds; Project Construction Account. The proceeds of the sale of the Series 2001 A Bonds shall be deposited upon receipt by the Issuer in the Project Construction Account. The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Moneys in the Project Construction Account shall be used solely to pay the cost of acquisition and construction of the Project upon vouchers and other documentation approved by the Purchaser.

Until completion of acquisition and construction of the Project, the Issuer will additionally transfer from the Project Construction Account and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installments on the Series 2001 A Bonds if there are not sufficient Net Revenues to make such monthly payment.

Pending application as provided in this Section 4.02, money and funds in the Project Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When acquisition and construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 4.04. Covenants of the Issuer as to System Revenues and Funds. So long as any of the Series 2001 A Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 2001 A Bonds Reserve Account, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Series 2001 A Bonds remaining unpaid, together with interest accrued and to accrue thereon, the Issuer further covenants with the Holders of the Series 2001 A Bonds as follows:

A. REVENUE FUND. The entire Gross Revenues derived from the operation of the System, and all parts thereof, and all Tap Fees received, shall be deposited as collected by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Resolutions 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 the Resolutions.

B. DISPOSITION OF REVENUES. All Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority, subject to the provisions of the Prior Resolution not otherwise modified herein:

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

(2) The Issuer shall next, each month, on or before the due date of payment of each installment on the Prior Bonds and the Series 2001 A Bonds, transfer from the Revenue Fund and remit to the National Finance Office, the amounts required to pay the interest on the Prior Bonds and the Series 2001 A Bonds and to amortize the principal of the Prior Bonds and the Series 2001 A Bonds over the respective lives of each Bond issue. All payments with respect to principal of and interest on the Prior Bonds and the Series 2001 A Bonds shall be made on an equal pro rata basis in accordance with the respective aggregate principal amounts thereof outstanding and on a parity with each other.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit (i) to the Depository Bank for deposit into the Series 1979 Bond Reserve Fund, the amount required by the Prior Resolutions; (ii) to the Depository Bank for deposit into the Series 1992 Bond Reserve Fund, the amount required by the Prior Resolutions; (iii) to the Depository Bank for deposit into the Series 1997 Bonds Reserve Fund, the amount required by the Prior Resolution; and (iv) to the Commission for deposit into the Series 2001 A Bonds Reserve Account, 0.4167% of the Minimum Reserve, until the amount in the Series 2001 A Bonds Reserve Account equals the Minimum Reserve. Moneys in the Series 2001 A Bonds Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the Series 2001 A Bonds to the National Finance Office as the same shall become due or for prepayment of installments on the Series 2001 A Bonds, or for mandatory prepayment of the Series 2001 A Bonds as hereinafter provided, and for no other purpose; provided, however, that when the Minimum Reserve has been accumulated in the Series 2001 A Bonds Reserve Account, all earnings of investments of moneys therein shall at least annually be transferred to and deposited in the Revenue Fund.

(4) 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 Reserve, (i) the amount required by the Prior Resolutions; and (ii) 0.4167% of the Minimum Reserve, until the amount in the Series 2001 A Bonds Reserve Account equals the Minimum Reserve, and thereafter, 0.8334% of the Minimum Reserve, so long as the Series 2001 A

Bonds are outstanding; provided, however, that in the event Revenues are insufficient to fund the Series 2001 A Bonds Reserve Account in accordance with Section 4.03B(3)(ii) above, or a withdrawal of funds from the Series 2001 A Bonds Reserve Account is made, payment of Revenues into the Depreciation Reserve as provided in this Section 4.03B(4)(ii) shall not be made, but instead Revenues shall be applied to the replenishment of the Series 2001 A Bonds Reserve Account until such deficiency is cured, at which time payments into the Depreciation Reserve as provided in this Section 4.03B(4)(ii) shall resume. Moneys in the Depreciation Reserve shall be used first to make up any deficiencies for monthly payments of interest on and principal of the Prior Bonds and the Series 2001 A Bonds as the same become due, and next to restore to the Reserve Fund and the Series 2001 A Bonds Reserve Account any sum or sums transferred therefrom, all on a pro rata basis. Thereafter, and provided that payments are current and in accordance with the foregoing provisions, moneys in the Depreciation Reserve may be withdrawn by the Issuer and used for replacements, repairs, improvements or extensions to the System.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not permitted to be retained therein may be used to prepay installments of the Bonds, pro rata, or for any lawful purpose.

Whenever the money in the Series 2001 A Bonds Reserve Account shall be sufficient to prepay the Series 2001 A Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 2001 A Bonds at the earliest practical date and in accordance with applicable provisions hereof.

The Commission is hereby designated as the Fiscal Agent for the administration of the Series 2001 A Bonds Reserve Account as herein provided, and all amounts required for the Series 2001 A Bonds Reserve Account will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein. If required by the Purchaser at anytime, the Issuer shall make the necessary arrangements whereby required payments into said account shall be

automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

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 reserve account payments with respect to the 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 Depository Bank is hereby designated as the Fiscal Agent for the administration of the Depreciation Reserve as herein provided, and all amounts required for the Depreciation Reserve will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein, together with written instructions stating the amount remitted for deposit into each such fund.

The Revenue Fund, the Series 2001 A Bonds Reserve Account and the Depreciation Reserve shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser shall have a lien thereon for further securing payment of the Series 2001 A Bonds and the interest thereon.

If on any payment date the Revenues are insufficient to make the payments and transfers as hereinabove provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates.

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 Series 2001 A Bonds and the Prior Bonds, in accordance with the respective principal amounts then Outstanding.

Subject to the Prior Resolutions, the Commission and the Depository Bank, at the direction of the Issuer, shall keep the moneys in the Series 2001 A Bonds Reserve Account and the Depreciation Reserve invested and reinvested to the fullest extent possible in accordance with applicable law, and to the extent

practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Bond Legislation shall, unless otherwise provided herein or required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Investment Management. 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 interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings from moneys in the Series 2001 A Bonds Reserve Account, so long as the Minimum Reserve is on deposit and maintained therein, shall be returned not less than once each year, by the Commission to the Issuer, to be deposited in the Revenue Fund.

C. CHANGE OF DEPOSITORY BANK. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank if the Depository Bank should cease for any reason to serve or if the Governing Body determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser.

D. USER CONTRACTS. The Issuer shall, prior to delivery of the Series 2001 A Bonds, provide evidence that there will be at least 1,727 bona fide users upon the Project on completion, in full compliance with the requirements and conditions of the Purchaser.

E. CHARGES AND FEES. The Issuer shall remit from the Revenue Fund to the Commission or the Depository Bank such additional sums as shall be necessary to pay the charges and fees of the Commission or the Depository Bank then due.

F. INVESTMENT OF EXCESS BALANCES. The moneys in excess of the sum insured by FDIC in any of such funds or 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 of West Virginia.

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

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

I. RESERVE FUNDS. Pursuant to the Supplemental Resolution adopted as of the date hereof, the Issuer agrees that on the date set forth in the Supplemental Resolution, moneys in the Series 1979 Bonds Reserve Fund, the Series 1992 Bonds Reserve Fund and the Series 1997 Bonds Reserve Fund shall be transferred from the Depository Bank to the Commission. Once the funds have been transferred to the Commission, the Issuer shall continue to make payments to the respective Reserve Funds in accordance with the Prior Resolutions and as stated herein, except that such payments shall be made to the Commission rather than to the Depository Bank.

Section 4.05. Interim Construction Financing. In order to pay certain costs of the Project pending receipt of proceeds of the Grants and advances of principal of the Series 2001 A Bonds, the Issuer may issue and sell its interim construction notes in an aggregate principal amount not to exceed $1,200,000 (the "Notes"). The Notes shall be in the form of a line of credit from a commercial bank or other lender, and the Issuer is hereby authorized to enter into the credit agreement with such commercial bank or other lender. The Notes shall bear interest from the date or dates, at such rate or rates, payable on such dates and shall mature on such date or dates and be subject to such prepayment or redemption, all as provided in the credit agreement.

The Notes shall be special obligations of the Issuer payable as to principal and interest solely from proceeds of the Series 2001 A Bonds or the Grants. The Notes do not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions. The general funds of the Issuer are not liable, and neither the full faith and credit nor the taxing power of the Issuer, if any, is pledged for the payment of the Notes. The Holders of the Notes shall never have the right to compel the forfeiture of any property of the Issuer. The Notes 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 set forth herein.

ARTICLE V

GENERAL COVENANTS, ETC.

Section 5.01. General Statement. So long as the Series 2001 A Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 2001 A Bonds Reserve Account a sum sufficient to prepay the entire principal of the Series 2001 A Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Holder of the Series 2001 A Bonds.

Section 5.02. Rates. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to not less than 110% of the annual debt service on the Series 2001 A Bonds and the Prior Bonds and sufficient to make the payments required herein into all funds and accounts and all the necessary expenses of operating and maintaining the System during such Fiscal Year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate Revenues for such purposes.

Section 5.03. Sale of the System. The System will not be sold without the prior written consent of the Purchaser so long as the Series 2001 A Bonds are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 5.04. Issuance of Additional Parity Bonds or Obligations. No additional parity bonds or obligations payable out of any of the Revenues of the System shall be issued, except with the prior written consent of the Purchaser.

Section 5.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Series 2001 A Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System and mechanical and electrical equipment in place or stored on the site in an amount equal to the full insurable value 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 damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than $500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than $200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the Series 2001 A Bonds.

(c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than $500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than $200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) Workers' Compensation Coverage for All Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have been or will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(e) Flood Insurance to be procured, to the extent available at reasonable cost to the Issuer; however, if the System is located in a community which has been notified as having

special flood or mudslide prone areas, flood insurance must be obtained.

(f) Fidelity Bonds will be provided as to every member of the Governing Body and as to every officer and employee thereof having custody of the Revenue Fund or of any revenues or other funds of the Issuer in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of $50,000 upon the treasurer, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned so long as checks thereon require the signature of a representative of the Purchaser.

(g) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Series 2001 A Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or bonding companies acceptable to the Purchaser.

Section 5.06. Statutory Mortgage Lien. For the further protection of the Holder of the Series 2001 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, on a parity with the Prior Bonds, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect immediately upon the delivery of the Series 2001 A Bonds.

Section 5.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

(a) Failure to make payment of any monthly amortization installment upon the Series 2001 A Bonds at the date specified for payment thereof; and

(b) Failure to duly and punctually observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the Series 2001 A Bonds or herein, or violation of or failure to observe any provision of any pertinent law.

Section 5.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Purchaser may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by the Purchaser, such court may, upon proof of such default, appoint a receiver for the affairs of the Issuer and the System. The receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers of the Issuer with respect to the System, shall proceed under the direction of the court to obtain authorization to increase rates and charges of the System, and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 5.09. Fiscal Year; Budget. While the Series 2001 A Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a Fiscal Year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than 30 days prior to the beginning of each Fiscal Year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser by the beginning of each Fiscal Year.

If for any reason the Issuer shall not have adopted the Annual Budget before the 1st day of any Fiscal Year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the next year preceding by more than 10%; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser.

Section 5.10. Compensation of Members of Governing Body. The Issuer hereby covenants and agrees that no compensation for policy direction shall be paid to the members of the Governing Body in excess of the amount permitted by the Act. Payment of any compensation to any such member for policy direction shall not be made if such payment would cause the Net Revenues to fall below the amount required to meet all payments provided for herein, nor when there is default in the performance of or compliance with any covenant or provision hereof.

Section 5.11. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the acquisition and construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer on file with the Secretary on the date of adoption hereof, subject to permitted changes.

Section 5.12. Books and Records; Audits. 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 the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser. The Issuer shall further comply with the Act with respect to such books, records and accounts.

Section 5.13. Maintenance of System. The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Series 2001 A Bonds are outstanding.

Section 5.14. No Competition. To the extent legally allowable, the Issuer will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Issuer or within the territory served by the System.

ARTICLE VI

RATES, ETC.

Section 6.01. Initial Schedule of Rates and Charges; Rules. A. The initial schedule of rates and charges for the services and facilities of the System, subject to change consonant with the provisions hereof, shall be as set forth in the Commission Order of the Public Service Commission of West Virginia, entered on July 13, 2001, Case No. 01-0287-PWD-CN, which Final Order is incorporated herein by reference as a part hereof.

B. There shall not be any discrimination or differential in rates between customers in similar circumstances.

C. All delinquent fees, rates and charges for services or facilities of the System shall be liens on the premises served of equal degree, rank and priority with the lien on such premises of state, county, school and municipal taxes, as provided in the Act. The Issuer shall have all remedies and powers provided under the Act and other applicable provisions of law with regard to the collection and enforcement of such fees, rates and charges.

D. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Issuer or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other Revenues of the System.

E. The Issuer may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

F. The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without payment at the same time of a sewer bill owed by such customer for the same premises.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holder of the Series 2001 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 2001 A Bonds, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owner of the Series 2001 A Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

Section 7.02. Modification or Amendment. The Bond Legislation may not be modified or amended after final passage without the prior written consent of the Purchaser.

Section 7.03. Delivery of Bonds. The Chairman, Secretary and Treasurer of the Governing Body are hereby authorized and directed to cause the Series 2001 A Bonds, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 7.04. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Series 2001 A Bonds.

Section 7.05. Conflicting Provisions Repealed. The Prior Resolutions and all parts thereof not expressly hereby changed shall continue in full force and effect and this Bond Legislation shall be supplemental to the Prior Resolutions.

All resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided that this Section shall not be applicable to the Loan Resolution (Form FmHA 442-47).

Section 7.06. 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 7.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 7.08. Effective Time. This Resolution shall take effect immediately upon its adoption.

Adopted this 6th day of August, 2001.

WILDERNESS PUBLIC SERVICE DISTRICT

Roger O'Zum

Chairman

CH439254.1

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of WILDERNESS PUBLIC SERVICE DISTRICT on the 6th day of August, 2001.

Dated: August 8, 2001.

[SEAL]

Secretary

07/26/01
972000/00001

CH439254.1

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 1979
(United States Department of Agriculture)

and

Water Revenue Bonds, Series 1992
(United States Department of Agriculture)

and

Water Revenue Bonds, Series 1997
(United States Department of Agriculture)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING FOR TRANSFER OF RESERVE ACCOUNTS FOR SERIES 1979 BONDS, SERIES 1992 BONDS AND SERIES 1997 BONDS AND AMENDMENT OF PRIOR RESOLUTIONS TO EFFECT SUCH TRANSFER

WHEREAS, Wilderness Public Service District (the "Issuer") has previously issued its: (i) Water Revenue Bonds, Series 1979, dated December 7, 1979, issued in the original aggregate principal amount of $740,000 (the "Series 1979 Bonds"); (ii) Water Revenue Bonds, Series 1992, dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds"); and (iii) Water Revenue Bonds, Series 1997, dated September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds") (collectively the "Prior Bonds"), and held by the United States Department of Agriculture (the "Purchaser").

WHEREAS, the Series 1979 Bonds, the Series 1992 Bonds and the Series 1997 Bonds are secured by reserve accounts pledged for the payment of principal of and interest on the Series 1979 Bonds, the Series 1992 Bonds and the Series 1997 Bonds (hereinafter collectively, the "Prior Bonds Reserve Accounts"), which accounts are, pursuant to the resolutions of the Issuer adopted on January 22, 1979, July 14, 1992 and

September 18, 1997, respectively, authorizing the Prior Bonds (collectively, the "Prior Resolutions"), held by the Depository Bank;

WHEREAS, the monies in the Prior Bonds Reserve Accounts are currently invested in certificates of deposit which do not mature until approximately December 31, 2001;

WHEREAS, the Purchaser has requested that the Issuer transfer the monies in the Prior Bonds Reserve Accounts from the Depository Bank to the West Virginia Municipal Bond Commission (the "Commission"), upon the maturation of the certificates of deposit in which the monies in such accounts are currently invested;

WHEREAS, the Prior Resolutions each provide that they may be amended by supplemental resolution with the prior written consent of the Purchaser and such consent has been received by the Issuer; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted,

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF WILDERNESS PUBLIC SERVICE DISTRICT:

Section 1. The Prior Resolutions are amended, as necessary, to reflect the following:

A. The Prior Bonds Reserve Accounts are held by the Commission.

B. The Commission is designated as the Fiscal Agent for the administration of the Prior Bonds Reserve Accounts as herein provided, and all amounts required for the Series 1979 Bonds Reserve Account, the Series 1992 Bonds Reserve Account and the Series 1997 Bonds Reserve Account will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein. If required by the Purchaser at anytime, the Issuer shall make the necessary arrangements whereby required payments into said account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

C. 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 reserve account payments with respect to the Series 1979 Bonds, the Series 1992 Bonds and the Series 1997 Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

D. Moneys in the Prior Bonds Reserve Accounts shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

E. Earnings from moneys in Prior Bonds Reserve Accounts, so long as the Minimum Reserve is on deposit in each such account and maintained therein, shall be returned not less than once each year, by the Commission to the Issuer, to be deposited in the Revenue Fund.

F. The Issuer shall remit from the Revenue Fund to the Commission such additional sums as shall be necessary to pay the charges and fees of the Commission then due.

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

Section 2. The Prior Bonds Reserve Accounts shall be transferred to the Commission, and the aforementioned amendments relating to the Prior Bonds Reserve Accounts shall become effective, on or before January 31, 2002.

Section 3. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 6th day of August, 2001.

WILDERNESS PUBLIC SERVICE DISTRICT

Roger O'Zum

Chairman

CH455188.1

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Wilderness Public Service District on this 6th day of August, 2001.

Dated: August 8, 2001.

[SEAL]

Secretary

07/26/01
972000.00001

ON FILE WITH ISSUER

ON FILE WITH ISSUER

WILDERNESS PUBLIC SERVICE DISTRICT

WATER REVENUE BONDS, SERIES 1997

BOND AND LINE OF CREDIT RESOLUTION

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 1997

BOND RESOLUTION

Table of Contents

Page

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS 1
Section 1.01. Definitions 1
Section 1.02. Authority for this Resolution 8
Section 1.03. Findings 8
Section 1.04. Resolution Constitutes Contract 9

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF PROJECT 10
Section 2.01. Authorization of Acquisition and Construction of Project 10

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS 11
Section 3.01. Authorization of Bonds 11
Section 3.02. Description of Bonds 11
Section 3.03. Execution of Bonds 11
Section 3.04. Authentication and Registration 11
Section 3.05. Negotiability, Transfer and Registration 12
Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost 12
Section 3.07. Bonds not to be Indebtedness of the Issuer 13
Section 3.08. Bonds Secured by Pledge of Net Revenues 13
Section 3.09. Form of Bonds 13
Section 3.10. Sale of Bonds 23

ARTICLE IV

LINE OF CREDIT 24
Section 4.01. Authorization of Line of Credit 24
Section 4.02. Authorization of Credit Line Note 24
Section 4.03. Execution of Credit Line Note 25
Section 4.04. Negotiability, Transfer and Registration 25
Section 4.05. Form of Credit Line Note and Line of Credit Agreement 26
Section 4.06. Security for the Note 26

ARTICLE V

SYSTEM REVENUES AND APPLICATION THEREOF 27
Section 5.01. System Revenues and Application Thereof 27
Section 5.02. Tap Fees 29

ARTICLE VI

APPLICATION OF BOND PROCEEDS 30
Section 6.01. Application of Bond Proceeds 30
Section 6.02. Construction Trust Fund 30

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER
Section 7.01. General Covenants of the Issuer 31
Section 7.02. Bonds not to be Indebtedness of the Issuer 31
Section 7.03. Bonds Secured by Pledge of Net Revenues 31
Section 7.04. Rates 31
Section 7.05. Sale of the System 32
Section 7.06. Issuance of Additional Bonds 32
Section 7.07. Books and Records 32
Section 7.08. Fiscal Year; Budget 33
Section 7.09. Services Rendered by the System 33
Section 7.10. Enforcement of Collections 34
Section 7.11. Insurance and Bonds 34
Section 7.12. No Competing Franchise 35
Section 7.13. Reserved 36
Section 7.14. Contracts 36
Section 7.15. Statutory Mortgage Lien 36
Section 7.16. Public Service Commission Order 36
Section 7.17. Covenant to Amend Resolution 36
Section 7.18. Compensation of the Issuer 36
Section 7.19. Funds and Accounts Under Prior Resolutions 36

ARTICLE VIII

DEFAULTS AND REMEDIES 37
Section 8.01. Events of Default 37
Section 8.02. Remedies 37
Section 8.03. Appointment of Receiver 37
Section 8.04. Remedies On Parity With Prior Bonds 38

ARTICLE IX

INVESTMENTS 39
Section 9.01. Investments 39

ARTICLE X

MISCELLANEOUS 40
Section 10.01. Modification or Amendment 40
Section 10.02. Severability of Invalid Provisions 40
Section 10.03. Table of Contents and Headings 40
Section 10.04. Repeal of Conflicting Resolutions 40
Section 10.05. Covenant of Due Procedure 40
Section 10.06. Satisfaction and Discharge 40
Section 10.07. Effective Date 41

WILDERNESS PUBLIC SERVICE DISTRICT

BOND AND LINE OF CREDIT RESOLUTION

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING WATERWORKS FACILITY OF THE WILDERNESS PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF $750,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS AND THE SALE THEREOF TO THE UNITED STATES DEPARTMENT OF AGRICULTURE; AUTHORIZING A LINE OF CREDIT NOT TO EXCEED $1,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF THE WILDERNESS PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means Chapter 16, Article 13A of the Code of West Virginia, 1931, as amended and in effect on the date of adoption of this Resolution.

"Additional Bonds" means additional bonds issued under the provisions and within the limitations prescribed by Section 6.06.

"ARC Grant" means the grant from the Appalachian Regional Commission.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any other person duly appointed as such by the Governing Body.

"Board" means the public service board of the Issuer and shall include the membership of the Board as may hereafter be duly constituted as the legal successors to the present membership or any other authority vested with and authorized to exercise the powers of the Issuer.

"Bondholders," "Holder of the Bonds," "Holder," "Registered Owner," "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 Registrar" means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

"Bonds" means the $750,000 in aggregate principal amount of Water Revenue Bonds and any Additional Bonds hereafter issued within the terms, restrictions and conditions contained in this Resolution.

"Chairman" means the Chairman of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Bonds for all or a significant portion of the proceeds representing the purchase of the Bonds by the Government.

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

"Consulting Engineers" means Stafford Consultants, Inc., Princeton, West Virginia, or any engineer or firm of engineers of reputation for skill and experience with respect to the design and construction of waterworks systems or facilities that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

"Construction Trust Fund" means the Construction Trust Fund established by Section 6.02.

"Costs" or "Costs of the Project" means those costs described in Section 1.03F hereof to be a part of the cost of construction and acquisition of the Project.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Depository Bank" means a bank or national banking association located in the State, eligible under the laws of the State to receive deposits of state and municipal funds and insured by the FDIC, which Depository Bank shall be named in the Supplemental Resolution.

"Depreciation Account" means the Renewal and Replacement Fund established by Section 4.03 C of the Prior Resolutions and continued by Section 5.01(5).

"Event of Default" means any event or occurrence specified in Section 8.01.

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

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

"Governing Body" or "Board" means the public service board of the Issuer, as is now or may hereafter be constituted.

"Government" means the United States Department of Agriculture, Rural Utilities Service, which is expected to be the original purchaser of the Bonds.

"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, including (i) such obligations which have been stripped from their unmatured interest coupons, interest coupons stripped from such obligations and receipts or certificates evidencing payments from such obligations, (ii) evidences of ownership of a proportionate interest in specified direct obligations of, or specified obligations which are unconditionally and fully guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian and (iii) obligations, the sole source of the payment of the principal of and interest on which are obligations of the nature of those described in clause (i), which are irrevocably pledged for such purposes.

"Grants" means collectively the ARC Grant and the RUS Grant.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereafter 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 purchased pursuant to Section 9.01) 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 "District" means the Wilderness Public Service District, a public corporation and political subdivision of the State.

"Letter of Conditions" means the letter of conditions of the Government dated February 15, 1996, and any supplements or amendments thereto.

"Line of Credit" means the irrevocable line of credit in an amount not to exceed $1,000,000 authorized by Section 4.01 hereof, the terms and amount of which may be approved by a resolution supplemental hereto.

"Line of Credit Agreement" means the agreement, if any, establishing the Line of Credit, said agreement to be approved by a resolution supplemental hereto.

"Net Revenues" means Gross Revenues less Operating Expenses.

"Noteholder," "Registered Owner of the Notes" or "Owner of the Notes" or any similar term means the person, whenever used herein with respect to an outstanding Note or Notes, as hereinafter defined, in whose name such Note is registered.

"Notes" or "Credit Line Note" means the not more than $1,000,000 in aggregate principal amount of interim construction financing, consisting of grant anticipation notes or a Line of Credit evidenced by notes, or any combination of the foregoing, as authorized by Article IV hereof and, unless the context clearly indicates otherwise, the term "Notes" includes any refunding grant anticipation notes of the Issuer.

"Notes Registrar" means the Registrar for the Notes which shall be designated by a resolution supplemental hereto.

"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, fiscal agents, depository banks, registrars, paying agents and trustees 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, of any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from and decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond canceled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and

set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Section 10.06 hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Paying Agent" means the bank or banks or other entity designated as such for the Bonds in the Supplemental Resolution or such entity or authority as may be designated by the Issuer.

"Prior Bonds" means collectively, the Series 1979 Bonds and the Series 1992 Bonds.

"Prior Resolutions" means the resolution adopted by the Public Service Board of the Issuer on January 22, 1979 and July 14, 1992.

"Project" means the extension of water service to the areas of the District and the necessary related appurtenances.

"PSC" means the Public Service Commission of West Virginia and any successor to the functions thereof.

"PSC Order" means the recommended decision of the PSC in Case No. 96-0296-PWD-CN, which was entered by the Administrative Law Judge of the PSC on September 10, 1997 and became the final order on September 17, 1997, granting the Issuer a Certificate of Convenience and Necessity to construct the Project and approving the financing thereof.

"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 any said time account or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time account;

(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 any said repurchase agreement either must mature as nearly as practicable coincident with the maturity of said repurchase agreement or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreement, 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 Code of West Virginia Code, 1931, as amended;

(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; and

(j) Advanced - Refunded Municipal Bonds.

"Reserve Account" means the Reserve Account established by Section 5.01(A)(4).

"Reserve Requirement" means the maximum amount of principal and interest which will mature and become due on the Bonds in any succeeding Fiscal Year.

"Resolution" means this resolution, as from time to time amended or supplemented.

"Revenue Fund" means the Revenue Fund established or continued by Section 5.01(A).

"RUS Grant" means the Rural Utilities Service Grant in the amount of $800,000.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 1979 Bonds" means the Issuer's $740,000 Water System Revenue Bonds, Series 1979, issued on January 22, 1979.

"Series 1992 Bonds" means the Issuer's $350,000 Water System Revenue Bonds, Series 1992, issued on July 15, 1992.

"Sinking Fund" means the Sinking Fund established by Section 5.01(A)(2).

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution of the Issuer supplementing or amending this Resolution 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 Resolution to be included in the Supplemental Resolution with respect to the Bonds and not so included may be included in another Supplemental Resolution.

"System" means the public service properties to be used for or in connection with the diversion, development, pumping, impounding, treatment, storage, distribution or furnishing of water to or for industrial, public, private or other uses, owned by the Issuer, and any improvements or extensions thereto hereafter constructed or acquired from any sources whatsoever, and includes the Project.

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

Additional terms and phrases are defined in this Resolution 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 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.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Resolution; and the term "hereafter" means after the date of adoption of this Resolution.

Articles, sections and subsections mentioned by number only are the respective articles, sections and subsections of this Resolution so numbered.

Section 1.02. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Act and other applicable provisions of law.

Section 1.03. Findings. It is hereby found, determined and declared as follows:

A. The Issuer now owns and operates a public waterworks system, furnishing water service to residences, premises and businesses residing or located within and without the area of the Issuer. There are, however, residents of the Issuer who are not currently served by the water system.

B. It is deemed necessary and desirable for the health, welfare and safety of the inhabitants of the Issuer that there be acquired and constructed certain extensions, additions and improvements to the existing System, the acquisition and construction to be permanently financed, in part, by the issuance of the Bonds to the Government all in accordance with the plans and specifications prepared by the Consulting Engineers. The acquisition and construction of the System was financed in part with the proceeds from the Prior Bonds, authorized pursuant to the Prior Resolutions.

C. The Issuer derives revenues from the System and, except for the pledge thereof to secure and pay for the Prior Bonds, said revenues are not pledged or encumbered in any manner. The Prior Bonds are secured by a first lien on the Net Revenues of the System.

D. The estimated maximum cost of the construction of the Project is $2,300,000. The Project will be financed with the proceeds of the sale of the Bonds anticipated to be in the amount of $750,000, ARC Grant proceeds in the amount of $750,000 and RUS Grant proceeds in the amount of $800,000.

E. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of the System, the principal of and interest on the Prior Bonds and the Bonds authorized to be issued pursuant to this Resolution and all sinking funds, reserve and other payments provided for in this Resolution and the Prior Resolutions. The

Issuer has met the parity test set forth in the Prior Resolution. Prior to the issuance of the Bonds, the Issuer will obtain the consent of the Prior Bonds owners to the issuance of the Bonds on a parity with the lien of the Prior Bonds. Upon the issuance of the Bonds, the Issuer will grant the Government a first parity lien on the Net Revenues of the System.

F. It is deemed necessary for the Issuer to issue its Bonds, in part to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements, and franchises deemed necessary therefor; the cost of the construction of said extensions, additions, betterments and improvements to the System and any other expenses necessary, incidental, desirable or appurtenant to the acquisition and construction of the Project and such replacements as are necessary therefor; the cost of interim financing for such Project; interest on the Bonds, prior to, during and for six months after the estimated date of completion of construction of the Project; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; expenses for the service of registrars, paying agents, depositories or other agents in connection with the issuance of the Bonds, and such other expenses as may be necessary or desirable to said acquisition and construction of the project and placing the same in operation and the financing authorized by this Resolution.

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

H. It is in the best interests of the Issuer that its Bonds be sold to the Government pursuant to the terms and provisions of the Letter of Conditions.

I. The Issuer has complied with all requirements of West Virginia law relating to authorization of the construction, acquisition and operation of the Project and issuance of the Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of the PSC Order, the time for rehearing and appeal of which have expired. The Issuer has received a waiver letter from the West Virginia Infrastructure and Jobs Development Council.

Section 1.04. Resolution 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 Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF PROJECT

Section 2.01. Authorization of Acquisition and Construction of Project. There is hereby authorized the construction and acquisition of the Project in accordance with the plans and specifications which have been prepared by the Consulting Engineers; provided, that such plans and specifications, and the construction and acquisition of the Project in accordance therewith, are subject to the specific authorization by the Board pursuant to a Supplemental Resolution.

The Issuer has received bids or entered into contracts for the acquisition and construction of the Project.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS

Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions hereof, the Bonds of the Issuer, to be known as "Wilderness Public Service District Water Revenue Bonds" (the "Bonds") are hereby authorized to be issued in the aggregate principal amount of $750,000 for the purpose of permanently financing a portion of the Costs of the Project.

Section 3.02. Description of Bonds. The Bonds shall be issued as fully registered Bonds with a record of advances and payments attached, numbered R-1 upward, and shall be dated the date of delivery thereof. The Bonds shall bear interest from the date of delivery on the amount outstanding on the interest payment date as evidenced on the record of advances and payments, payable monthly, commencing on the eighteenth (18th) day of the month following the month of delivery of the Bond and on the eighteenth (18th) day of each month thereafter for the first 24 months after the date thereof and thereafter on the eighteenth (18th) day of each month in installments of principal and interest in the aggregate amount of $3,443, except that the final installment shall be paid at the end of 40 years from the date of the Bond, at a rate, not exceeding four and one-half percent (4.5%) per annum and shall be sold for the par value thereof.

The Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, shall be payable as provided in the Bond form hereinafter set forth, and shall have such other terms not inconsistent with this Resolution, as shall be set forth in the Supplemental Resolution and such Bond form.

The series designation shall be as set forth in the Supplemental Resolution.

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

Section 3.04. Authentication and Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless

and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.09, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Resolution. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State, 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 remain outstanding, the Issuer, through the Bond Registrar, shall keep and maintain books for the registration and transfer of the Bonds.

The 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 thereof 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 or transferring the Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obligated to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

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

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

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System, as herein provided, and amounts, if any, in the Reserve Account. No Holder or Holders of any of the Bonds shall ever have the right to compel the exercise of the taxing power, if any, of the Issuer to pay the Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Bonds and the Prior Bonds shall be secured forthwith equally and ratably and on a parity with each other, by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds and the Prior Bonds and to make the payments as hereinafter provided are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 3.09. Form of 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 hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Form of Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS,
SERIES 1997

No. R-1 $750,000

_____, 1997

United States of America
National Finance Office
1520 Market Street
St. Louis, Missouri 63103

FOR VALUE RECEIVED, the Wilderness Public Service District, a public corporation organized and existing under the laws of, and a political subdivision of, the State of West Virginia, in Nicholas County (herein called the "Borrower"), promises to pay to the order of the United States of America (herein called the "Government"), at its National Finance Office, St. Louis, Missouri, or at such other place as the Government may hereafter designate in writing, and in the manner provided below, the principal sum of Seven Hundred Fifty Thousand Dollars ($750,000) or such lesser amount as shall then be reflected on the Record of Advances and Payments attached hereto and incorporated herein by reference, plus interest on the unpaid principal balance at the rate of four and one-half percent (4.5%) per annum. Notwithstanding any provision of this Bond to the contrary, this Bond shall evidence only the indebtedness reflected as outstanding on the Record of Advances and Payments attached hereto. Interest shall accrue only on the amount of each advance from its actual date as listed on said Record of Advances and Payments and shall cease to accrue on the amount outstanding, or portions thereof, as the same are paid, as reflected by said Record of Advances and Payments.

The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only on the amounts advanced hereunder, commencing the eighteenth (18th) day of the month following the month of delivery of this Bond and on the eighteenth (18th) day of each month thereafter for the first 24 months after the date hereof, and thereafter on the eighteenth (18th) day of each month in installments of principal and interest in the aggregate amount of $3,443 except the final installment shall be paid at the end of forty years from the date of this Bond in the sum of the unpaid principal and interest due on the date thereof and prepayments may be made as

provided below. This consideration shall support any agreement modifying the foregoing schedule of payments.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Pre-payments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Extra payments, as defined in the regulations of the Government, shall, after payment of interest, be applied to the installment last to come due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

Any amount advanced or expended by the Government for the collection hereof, or to preserve or to protect any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government, shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government. Borrower has granted to the Government a lien on the proceeds of this Bond until such proceeds are expended for authorized purposes.

THIS BOND SHARES A FIRST LIEN PARITY POSITION WITH RESPECT TO SOURCES OF AND SECURITY FOR PAYMENT WITH THE OUTSTANDING WILDERNESS PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1979, ISSUED IN THE PRINCIPAL AMOUNT OF $740,000 AND THE WILDERNESS PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1992, ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF $350,000 (THE "PRIOR BONDS").

This Bond is issued to permanently finance a portion of the costs of acquisition and construction of certain extensions, additions and improvements to the existing waterworks distribution system (the "Project" and together with any further extensions, additions, betterments and improvements thereto, herein called the "System"); and to pay certain issuance and related costs in connection therewith. This Bond is authorized and issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 13A of Chapter 16 of the Code of West Virginia, 1931, as amended (the "Act"), and a resolution duly adopted by the Board of the Borrower on Sepember 18, 1997, and supplemented by a Supplemental Resolution duly adopted by said Board on September 18, 1997 (collectively, the "Resolution"), and is subject to all the terms and conditions of said Resolution. The Resolution 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 Resolution.

This Bond is payable only from and secured by a pledge of a first lien on the Net Revenues (as defined in the Resolution) to be derived from the operation of the System, which lien is on a parity as to security and source of payment with the lien of the Prior Bonds, moneys in the Reserve Account created under the Resolution (the "Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on this Bond, the Prior Bonds, and all bonds which may be issued for the construction, acquisition, improvement, extension or betterment of such System as and when the same become due and payable, and which shall be set aside and remitted to the Government for the Bonds as provided herein and in the Resolution and in the Prior Resolutions. This Bond does not constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provisions or limitations, nor shall said Borrower be obligated to pay the same or the interest hereon except from the Net Revenues derived from the operation of said System, the moneys in the Reserve Account and unexpended Bond proceeds. Pursuant to the Resolution, the Borrower has covenanted and agreed to establish and maintain just and equitable rates or charges for the use of such System and the services rendered thereby, which shall be sufficient to provide for the proper and reasonable expenses of operation, repair and maintenance of said System, and to leave a balance each year equal to at least 110% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with or subordinate to the Bonds, including, without limitation, the Prior Bonds. The Borrower has entered into certain further covenants with the owner of this Bond for the terms of which reference is made to said Resolution. Remedies provided the owner of this Bond are exclusively as provided in the Resolution, to which reference is here made for a detailed description thereof.

This Bond is transferable, as provided in the Resolution, only upon the books of the Registrar which shall be kept for that purpose at the office of the Registrar, by the owner or by its attorney or legal representative duly authorized in writing, upon surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar duly executed by the owner or its attorney or legal representative duly authorized in writing.

Subject to registration requirements, 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.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for such purposes and periods of time.

If at any time it so appears to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private creditor at reasonable rates and terms for loans for such purposes and period of time, Borrower will at the Government's request apply for and accept such loan in sufficient amount to repay the Government.

This Bond will be in default should any proceeds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as set forth in Exhibit M of subpart G of Part 1940 of Title 7 of the Code of Federal Regulations, as amended.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts connected with the issuance hereof, as provided by law and the Resolution, shall be applied solely to the costs of acquisition and construction of the Project, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the owner of this Bond.

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

All provisions of the Resolution, 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 Wilderness Public Service District has caused this Bond to be signed by its Chairman and its seal to be hereunto impressed and attested by its Secretary, all as of the date first written above.

WILDERNESS PUBLIC SERVICE DISTRICT

_____

Chairman

[SEAL]

ATTEST:

_____

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Wilderness Public Service District Water Revenue Bonds, Series 1997, described in the within-mentioned Resolution and has been duly registered in the name of the United States of America as of the date set forth below.

Date: September 18, 1997

One Valley Bank, National Association, as Registrar

By _____
Its Authorized Officer

RECORD OF ADVANCES AND PAYMENTS

Advances

Date	Amount	Initialed By
(1)	$	
(2)	$	
(3)	$	
(4)	$	
(5)	$	
(6)	$	
(7)	$	
(8)	$	
(9)	$	
(10)	$	

TOTAL: $ _____

UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL UTILITIES SERVICE

By: _____
(Title)

RECORD OF ADVANCES AND PAYMENTS

Payments

	Date	Amount	Initialed By
(1)		$	
(2)		$	
(3)		$	
(4)		$	
(5)		$	
(6)		$	
(7)		$	
(8)		$	
(9)		$	
(10)		$	

TOTAL: $ _____

UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL UTILITIES SERVICE

By: _____
(Title)

[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 said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____, ___.

_____

In the presence of:

_____

Section 3.10. Sale of Bonds. The Bonds shall be sold to the Government pursuant to the terms and conditions of the Letter of Conditions. The provisions of the Letter of Conditions are specifically incorporated in this Resolution.

ARTICLE IV

LINE OF CREDIT

Section 4.01. Authorization of Line of Credit. To provide funds for the acquisition and construction of the Project when other funds are temporarily not available therefor, the Issuer is hereby authorized to arrange for a Line of Credit in an amount not to exceed $1,000,000. The amount and terms of the Line of Credit may be approved by a resolution supplemental hereto; Provided, that the Issuer has obtained an order of the PSC approving the Line of Credit, the time for rehearing and appeal of which expired or the rights of all parties have been waived.

Section 4.02. Authorization of Credit Line Note. For the purpose of evidencing any draw upon the Line of Credit and thus, of financing a portion of the cost of acquisition and construction of the Project, there may be issued the Credit Line Note of the Issuer in an amount and upon such terms as set forth in a resolution supplemental hereto. The Credit Line Note may be issued in single, fully registered form and dated as of the date of delivery thereof. There shall be attached to the Credit Line Note a Record of Advances and Payments, upon which the date and principal amount of any draw upon the Line of Credit, the date and amount of any payment of principal of the Credit Line Note and the amount of the Credit Line Note outstanding after either of said transactions shall be recorded. Anything to the contrary herein, in the Line of Credit Agreement or therein notwithstanding, the Credit Line Note shall evidence only the outstanding indebtedness recorded on the Record of Advances and Payments attached thereto, and interest shall accrue only on the amount if each advance from the actual date thereof as listed on said Record of Advances and Payments. Each such advance shall bear interest, payable at such times and at a rate set forth in a supplemental resolution, but not to exceed the then legally permissible limit. Interest shall cease to accrue on the amount of the Credit Line Note outstanding, or portions thereof, as the same are paid, as reflected by said Record of Advances and Payments. The Credit Line Note shall mature not more than thirty (30) months from the date thereof. The Credit Line Note shall be subject to such further terms as shall be provided by the Line of Credit Agreement. Notwithstanding the foregoing, the terms of the Credit Line Note, other than the principal amount thereof, may be modified by resolution supplemental and amendatory hereto, subject to the limits of the Act.

The Credit Line Note shall be payable as to principal upon surrender at the principal office of the Notes Registrar, in any coin or currency which on the date of payment of principal is legal tender for the payment of public and private debts under the laws of the United States of America; provided, that any partial payment or principal prior to the final maturity of the Credit Line Note shall be recorded on the Record of Advances and Payments attached to the Credit Line Note, and the Credit Line Note shall be returned to the Registered Owner. Interest on the Credit Line Note shall be paid by check or draft mailed to the Registered Owner thereof at the address as it appears on the books of said Notes Registrar;

provided, that, at the option of the Registered Owner, such payment may be made by wire transfer or such other lawful method as shall be mutually agreeable.

Section 4.03. Execution of Credit Line Note. The Credit Line Note shall be executed in the name of the Issuer by the signature of its Chairman, and the seal of the Issuer shall be impressed thereon and attested by the signature of the Secretary. Any Credit Line Note may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Credit Line Note shall hold the proper office of the Issuer, although at the date of such Credit Line Note such person may not have held such office or may not have been so authorized.

Section 4.04. Negotiability, Transfer and Registration. Subject to the restrictions on transfer set forth below, the Credit Line Note shall be and have all of the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State, and each successive Registered Owner, in accepting the Credit Line Note, shall be conclusively deemed to have agreed that said Credit Line Note shall be incontestable in the hands of a bona fide holder for value.

So long as the Credit Line Note or any portion thereof remains Outstanding, the Notes Registrar shall keep and maintain books for the registration and transfer of the Credit Line Note. The Credit Line Note shall be transferable only upon the books of the Notes Registrar which shall be kept for that purpose at the office of the Notes Registrar (and in such capacity as paying agent) by the Registered Owner thereof in person or by its attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Notes Registrar duly executed by the Registered Owner or its duly authorized attorney. Upon the transfer of the Credit Line Note, there shall be issued at the option of the Registered Owner or the transferee another Credit Line Note or Notes of the aggregate stated principal amount equal to the stated principal amount of such transferred Credit Line Note not paid as reflected on the Record of Advances and Payments attached thereto and outstanding in the aggregate principal amount equal to the advanced but unpaid amount of the transferred Credit Line Note as reflected on the Record of Advances and Payments attached thereto.

In all cases in which the privilege of transferring the Credit Line Note is exercised, Credit Line Notes shall only be issued in accordance with the provisions of this Ordinance and the Supplemental Resolution. All Credit Line Notes surrendered in any such transfers shall forthwith be cancelled by the Notes Registrar. For every such transfer of Credit Line Notes, the Notes Registrar may make a change sufficient to reimburse its office for any tax, fee or other governmental charge required to be paid with respect to such transfer and the cost of preparing each Credit Line Note upon each transfer, and any other expenses of the Notes 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 Notes Registrar shall not be obligated to make any such transfer of Credit Line Notes during the ten (10) days preceding an interest payment date on

the Credit Line Notes or after notice of any prepayment of the Credit Line Notes have been given.

Section 4.05. Form of Credit Line Note and Line of Credit Agreement. The text of the Credit Line Note and the Line of Credit Agreement shall be in substantially the form set forth in the Supplemental Resolution. The Line of Credit Agreement shall be executed on behalf of the Issuer by the Chairman. The Credit Line Note shall not become valid until manually authenticated and registered by the Notes Registrar.

Section 4.06. Security for the Note. The principal of and interest on the Note is payable solely from and secured by the proceeds of the Bonds and the Grants. Additionally, the Note is payable from and secured by the Net Revenues derived from the operation of the System; provided, that such lien on the Net Revenues is junior, inferior and subordinate in all respects to the lien thereon of the Holders of the Bonds and the Prior Bonds.

ARTICLE V

SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. System Revenues and Application Thereof. So long as the Bonds shall be Outstanding and unpaid, the Issuer covenants with the Bondholders 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 which is hereby established and created. The Revenue Fund shall constitute a trust fund for the purposes provided in this Resolution and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. Funds in the Revenue Fund shall be disposed of only in the following manner and order of priorities.

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

(2) Next from the moneys in the Revenue Fund, the Issuer shall on the eighteenth (18th) day of each month commencing on the eighteenth (18th) day of the month following the month of delivery of the Bonds, make the payments required by Sections 3.02 and 4.01, respectively, of the Prior Resolutions and shall simultaneously therewith apportion and set apart out of the Revenue Fund and remit to the office and place designated by the Bonds (herein called the "Sinking Fund") the monthly payment of interest set forth in the Supplemental Resolution or such lesser amount as is required to pay the interest on the Bonds as evidenced by the Record of Advances and Payments attached to the Bonds as set forth in the Bond form in Section 3.09. If funds in the reserve fund are not sufficient to make all the payments required by this section, the Issuer shall apportion and prorate the funds available to the payments required herein.

(3) Next from the moneys in the Revenue Fund, the Issuer shall on the eighteenth (18th) day of each month, as provided by the Supplemental Resolution, make the payment required by Sections 3.02 and 4.01, respectively, of the Prior Resolutions and simultaneously therewith shall apportion and set apart from the Revenue Fund and remit to the Sinking Fund the monthly payment of principal set forth in the Supplemental Resolution or such lesser amount as is evidenced by the Record of Advances and Payments attached to the Bond as set forth in the Bond form in Section 3.09, such amount or amounts being the amount required to amortize the principal of the Bonds over the life of the Bonds. If funds in the reserve fund are not sufficient to make all the payments required by this section, the Issuer shall apportion and prorate the funds available to the payments required herein.

The deposits to the Sinking Fund provided in this paragraph and in (2), above, constitute actual payments of principal and interest on the Bonds issued to the Government.

The amounts required for principal and interest payments on the Bonds issued hereunder other than to the Government shall be deposited in a sinking fund created by a Supplemental Resolution.

(4) The Issuer shall next transfer from the Revenue Fund and make the payment required by Sections 3.02 and 4.01, respectively, of the Prior Resolution and simultaneously therewith deposit in a Reserve Account at the Depository Bank (herein the "Reserve Account"), or in the case of Bonds other than the Bonds originally authorized hereby in a reserve account in a sinking fund created by Supplemental Resolution or otherwise as designated by a Supplemental Resolution, on the eighteenth (18th) day of each month of each year beginning with and including the month in which payments from the Revenue Fund for interest on the Bonds are commenced, an amount equal to one tenth (1/10) of the amount deposited into the Sinking Fund, as set forth above. If funds in the reserve fund are not sufficient to make all the payments required by this section, the Issuer shall apportion and prorate the funds available to the payments required herein.

No further payments shall be made into the Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Reserve Requirement. Moneys in the Reserve Account shall be used only for the purpose of payment of maturing principal of or interest on the Bonds when moneys in the Revenue Fund or, in the case of bonds other than the Bonds originally authorized hereby, the funds in a sinking fund created by Supplemental Resolution are insufficient therefor and for no other purposes.

Any withdrawals from the Reserve Account which result in a reduction in the balance of the Reserve Account to below the Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payment to the Sinking Fund and Reserve Account, including any deficiencies for prior payments, have been made in full.

As and when Additional Bonds ranking on a parity with the Bonds are issued, provision shall be made by Supplemental Resolution for additional payments sufficient to pay the interest on such Additional Bonds and to accomplish retirement thereof at or before maturity and to accumulate a balance in the Reserve Account in an amount equal to the maximum provided and required to be paid in principal and interest in any succeeding year for account of all the Bonds.

(5) Thereafter, from the moneys remaining in said Revenue Fund, the Issuer shall make the payments to the Depreciation Account required by the Prior Resolutions which are continued hereby and incorporated herein. All funds in said Depreciation Account shall be kept apart from all other funds, and all or any part of said fund may be invested as provided by Article VIII. Withdrawals and disbursements may be made from said Depreciation Account for replacements, emergency repairs, additions, betterments or improvements to the System; deficiencies in the payment of principal and interest on the Bonds, or debt service on obligations not on a parity with the Bonds, the proceeds of which obligations were used to finance such additions, betterments or improvements.

(6) If all of the above required payments are then current, the Issuer may use any moneys remaining in the Revenue Fund for the following purposes: (a) for prepayment of the amount, or any part thereof, of the Bonds Outstanding in accordance with the terms thereof (b) additions, betterments or improvements to the System which the Consulting Engineers certify are needed and/or (c) payments of principal and interest on subordinate water revenue bonds, or other obligations which may hereafter be issued by the Issuer on account of the System.

(B) All of the funds and accounts provided for above shall constitute trust funds and shall be used only for the purposes provided herein.

(C) The moneys in excess of the sum insured by the maximum amounts insured by the FDIC in the Revenue Fund, in the Reserve Account and in the Depreciation Account shall at all times be secured, to the full extent thereof in excess of such insured sum, by Government Obligations or such other obligations as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

(D) If on any monthly payment date the Net 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 payments dates; provided, that all deposits, including on account of deficiencies, shall be made in the order of priority set forth in Paragraph (A), above, and no payment of lower priority shall be made if there exists a deficiency in a fund or account of higher priority. No such deficiency shall exist solely because the required payments into the Reserve Account have not, as of such date, funded such account to the requirement therefor.

(E) All remittances made by the Issuer to the Government or to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

(F) The Gross Revenues of the System shall only be used for purposes of the System.

Section 5.02. Tap Fees. During the construction of the Project, Tap Fees shall be deposited in the Construction Trust Fund created in Section 6.02 hereof. Following completion of the Project, Tap Fees shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

APPLICATION OF BOND PROCEEDS

Section 6.01. Application of Bond Proceeds. All the moneys received from time to time from the sale of Bonds shall be deposited in the Construction Trust Fund hereinafter created.

Section 6.02. Construction Trust Fund. There is hereby created with the Depository Bank a special fund to be known as the "Construction Trust Fund," which fund shall be kept separate and apart from all other funds of the Issuer, and shall be drawn out, used and applied by the Issuer solely for the payment of the Costs of the Project and purposes incidental thereto, including payment of any borrowings by the Issuer made for the purpose of temporarily financing a portion of the Costs of Project, for the payment of interest on the Bonds during construction and for a period up to six months thereafter and for no other purposes whatsoever. The moneys in said fund shall be secured at all times by the Depository Bank, by Government Obligations having a fair market value at least equal to the balance in said fund in excess of the amount insured by the FDIC. If for any reason the amounts on deposit in the Construction Trust Fund are not necessary for, or are not applied to, such purposes, then such unapplied amounts shall be deposited by the Issuer as determined by the rules and regulations of the Government. All such proceeds shall constitute a trust fund for such purposes, and there is hereby created a lien upon such moneys, until so applied, in favor of the Holders of the Bonds hereby authorized.

Expenditures or disbursements by the Depository Bank from said Construction Trust Fund shall be made only after such expenditures or disbursements shall have been approved in writing by the Governing Body, the Consulting Engineers and the Government.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

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

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

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System which lien is on a parity as to such security and source of payment with the lien of the Prior Bonds. The Net Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Prior Bonds and the Bonds herein authorized and to make the payments into the Sinking Fund and the Reserve Account and all other payments provided for in this Resolution and the Prior Resolutions are hereby irrevocably pledged, in the manner provided herein and therein, to the payment of the principal of and interest on the Prior Bonds and the Bonds as the same become due, and for the other purposes provided in this Resolution and the Prior Resolutions.

Section 7.04. Rates. Prior to the issuance of the Bonds, equitable rates or charges for the use of and service rendered by the System will be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file in the office of the Governing Body, copies of which will be open to inspection by all interested parties. The schedule of rates and charges shall be sufficient to pay the Operating Expenses of the System, to pay the principal of and interest on all Bonds issued hereunder, and to provide an adequate Reserve Account and an adequate Depreciation Fund. 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 (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 110% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds (including, without limitation, the Prior Bonds).

Section 7.05. Sale of the System. So long as the Bonds are Outstanding, the System may be sold, transferred, mortgaged, leased or otherwise disposed of or encumbered (other than any statutory mortgage lien created under the Act on account of obligations issued within the restrictions hereof) only with the written consent of the Government, and such consent will specify the disposition of any such sale or transfer. So long as the Prior Bonds are outstanding, the System may be sold, transferred, mortgaged, leased or otherwise disposed of only in accordance with the terms of the Prior Resolutions and with the written consent of the Government.

Section 7.06. Issuance of Additional Bonds. As long as the Prior Bonds are Outstanding, no Additional Bonds shall be issued except as provided in the Prior Resolutions and with the prior written consent of the Government. As long as the Bonds are Outstanding, no additional Bonds shall be issued without the prior written consent of the Government.

Section 7.07. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Resolution 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 PSC. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Government. The Government 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 Government shall be reported to such agent of the Issuer as the Government shall direct.

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

(A) A statement of Gross Revenues, Operating Expenses and Net 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 Resolution and the status of all said funds and accounts.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds and shall submit said report to the Government, or any other original purchaser of the Bonds. Such audit report submitted to the Government shall include a statement that the Issuer is in compliance with the terms and provisions of this Resolution and the Prior Resolutions.

The Issuer shall keep and preserve all financial records for a period of ten (10) years, and such material, upon request, will be made available for public inspection.

Section 7.08. Fiscal Year; Budget. While the Bonds are Outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a fiscal year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than 30 days prior to the beginning of each Fiscal Year, the Issuer agrees to adopt the annual budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of such annual budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Board. Copies of each annual budget shall be delivered to the Government by the beginning of each Fiscal Year.

If for any reason the Issuer shall not have adopted the annual budget before the first day of any Fiscal Year, it shall adopt a budget of current expenses from month to month until the adoption of the annual budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than ten percent (10%); and provided further, that adoption of a budget of current expenses shall not constitute compliance with the covenant to adopt an annual budget unless the Issuer's failure to submit an annual budget shall be for a reason beyond the control of the Issuer. Each such budget of current expenses shall be delivered and mailed immediately as in the case of the annual budget.

Section 7.09. Services Rendered by the System. 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 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. 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 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 7.10. 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 laws of the State and the rules and regulations of the Public Service Commission. All such rates and charges, if not paid when due, shall become a lien on the premises served by the System.

To the extent allowed by law and the PSC, whenever any rates, rentals or charges for the services and facilities of the System, shall remain unpaid for a period of thirty (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 and the owner, user and property shall be held liable at law until such time as all such rates and charges are fully paid.

The Issuer further covenants and agrees that it will, to the full extent permitted by law and the rules and regulations promulgated by the PSC, for any account not paid within sixty (60) days, discontinue and shut off the services and facilities of the System and, in the event the Issuer owns a sewer facility (the "Sewerage System"), the Sewerage System to all users 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 have been paid in full and all accrued penalties plus a reconnection charge have been paid and shall take all further actions to enforce collections to the maximum extent permitted by law. The Issuer further covenants to use its best efforts to enter into agreements with any other entities providing sewerage service to its users, providing for discontinuing and shutting off the services and facilities of the sewerage system to users of the System delinquent in payment.

Section 7.11. Insurance and Bonds. The Issuer hereby covenants and agrees that, so long as the Bonds remain Outstanding, it will, as an expense of operation and maintenance of the System, procure, carry and maintain insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(A) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured prior to acceptance of any part of the Project from the contractor, on all above-ground insurable portions of the System, including machinery and equipment housed therein, in an amount equal to the insurable value 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 damaged

or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(B) Public Liability Insurance, with limits of not less than $500,000 for personal liability to protect the Issuer from claims for bodily injury and/or death and not less than $200,000 from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured at the commencement of construction of the Project.

(C) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated for the benefit of the Issuer, with limits of not less than $500,000 for personal liability to protect the Issuer from claims for bodily injury and/or death and not less than $200,000 from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle.

(D) Workers' Compensation Coverage for All Employees of the System Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each contractor dealing directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of Nicholas County prior to commencement of construction of the Project in compliance with Chapter 38, Article 2, Section 39 of the Code of West Virginia, 1931, as amended.

(E) Fidelity Bonds will be provided as to every officer and employee of the Issuer having custody of the Revenue Fund or of any other funds or valuable property of the System in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount required by the Government and to be increased thereafter as necessary to cover the maximum amount of funds under control of that position at any one time.

(F) Flood Insurance will be obtained by the Issuer if available.

(G) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this section, during construction of the Project and so long as the Government holds any of the Bonds, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each prime contractor to carry insurance, of such types and in such amounts as the Government may specify, and with insurance carriers or bonding companies acceptable to the Government.

Section 7.12. No Competing Franchise. To the extent allowable by law, the Issuer will not grant or cause, consent to or allow the granting of any franchise or permit to

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.01. Events of Default. A. Each of the following events shall constitute an "Event of Default" with respect to the Bonds.

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Resolution, any Supplemental Resolution or the Bonds and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Government, the Depository Bank, the Bond Registrar, any Paying Agent or a Registered Owner 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; or

(D) If a default occurs under the Prior Resolutions.

Section 8.02. 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 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 this Resolution 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 at law or bill in equity enjoin any acts in violation of the resolution with respect to the Bonds, or the rights of such Registered Owners.

Section 8.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under this Resolution and the Act, including, after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default, with respect to the Bonds, the Registered Owner 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, or both, 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 any interest thereon and the deposits into the funds and accounts herein provided and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Resolution 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 the System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Resolution 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 Resolution 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 Event of Default, any Registered Owner of Bonds issued pursuant to this Resolution 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 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 Bonds issued pursuant to this Resolution. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System, for the sole purpose of the protection of both the Issuer and Registered Owners, and the curing and making good of any default under the provisions of this Resolution, 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.

Section 8.04. Remedies On Parity With Prior Bonds. The exercise of any remedies set forth in Sections 8.02 and 8.03 above shall recognize and protect the parity rights of the owners of the Prior Bonds.

ARTICLE IX

INVESTMENTS

Section 9.01. Investments. Any moneys held as a part of the funds and accounts created by this Resolution, other than the Revenue Fund, shall be invested and reinvested by the Commission or the Depository Bank, 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 Resolution, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section.

Except as specifically provided herein, 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, including but not limited to those in the Construction Trust Fund, and used for the purpose of such fund or account. 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 Owner, including the value of accrued interest and giving effect to the amortization of discount and investments in the "consolidated fund" of the West Virginia Board of Investments shall be valued at par. The Commission or the Depository Bank, 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. Such Depository Bank may make any and all investments permitted by this Section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

Notwithstanding the foregoing, any investments made pursuant to this Resolution shall comply with the guidelines of the Government.

ARTICLE X

MISCELLANEOUS

Section 10.01. Modification or Amendment. Except as provided in Section 7.17, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto that would materially and adversely affect the respective rights of Owners of the Bonds shall be made without the consent in writing of the Owners of 66-2/3 percent or more in principal amount of the Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the Net Revenues of the System without the consent of the respective Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds respectively, required for consent to the above-permitted amendments or modifications.

Section 10.02. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Resolution, any Supplemental Resolution or the Bonds.

Section 10.03. 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 10.04. Repeal of Conflicting Resolutions. All resolutions and orders, or parts thereof, in conflict with this Resolution are, to the extent of such conflict, repealed; provided, that no provision of the Government's Form 1942-47 or the Prior Resolutions shall be repealed hereby.

Section 10.05. Covenant of Due Procedure. 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 Resolution 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred, and are, duly in office and duly qualified for such office.

Section 10.06. Satisfaction and Discharge. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the respective pledges of Net Revenues, and other moneys and

securities pledged under this Resolution, and all covenants, agreements and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. Any payment must comply with the terms of the Letter of Conditions and any Government regulations.

Section 10.07. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted this 18th day of September, 1997.

WILDERNESS PUBLIC SERVICE DISTRICT

[SEAL]

Chairman, Public Service Board

Member, Public Service Board

Member, Public Service Board

HAS 3: 63177

CERTIFICATION

Certified as a true copy of a Resolution adopted by the Public Service Board of Wilderness Public Service District.

[SEAL]

Debbie A. Gee
Secretary, Public Service Board

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DATE, INTEREST RATE, AND SALE PRICE OF THE WILDERNESS PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1997; DESIGNATING A REGISTRAR AND DEPOSITORY BANK; SETTING FORTH REGISTRATION INFORMATION; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Board") of the Wilderness Public Service District (the "District") has duly and officially enacted a Bond Resolution, effective September 18, 1997 (the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING WATERWORKS FACILITY OF THE WILDERNESS PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF $750,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS AND THE SALE THEREOF TO THE UNITED STATES DEPARTMENT OF AGRICULTURE; AUTHORIZING A LINE OF CREDIT NOT TO EXCEED $1,000,000; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Resolution provides for the issuance of Water Revenue Bonds (the "Bonds") of the District in an aggregate principal amount not to exceed $750,000 and the sale thereof to the United States Department of Agriculture, Rural Utilities Service ("RUS"), all in accordance with Chapter 16, Article 13A, of the Code of West Virginia, 1931, as amended (the "Act"), and the Resolution, and it is provided that the interest rates and sale price of the Bonds would be established by a supplemental resolution and that other matters relating to the Bonds be herein provided for;

WHEREAS, RUS proposes to purchase the Bonds;

WHEREAS, One Valley Bank of Summersville, Inc., has offered to extend a line of credit to the District;

WHEREAS, the Board of the District deems it essential and desirable that this resolution (the "Supplemental Resolution"), be adopted and that the price of and the interest rate on the Bonds be fixed hereby in the manner stated herein; that the line of credit be approved, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE WILDERNESS PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Resolution and the Act, this Supplemental Resolution is adopted and there is hereby authorized and ordered to be issued the Wilderness Public Service District Water Revenue Bonds, Series 1997 in the aggregate principal amount of $750,000, and the sale thereof to RUS. The Bonds shall be in the form of one Bond, shall be dated the date of delivery, shall mature forty years from the date thereof, shall be numbered R-1 and the principal amount advanced under the Bonds shall bear interest at the rate of four and one-half per centum (4.5%) per annum. Monthly installments of interest only on the amounts advanced under the Bonds are payable monthly, [commencing the eighteenth (18th) day of the month following the month of delivery of the Bonds,] for the first 24 months after delivery of the Bonds and thereafter, monthly installments of principal and interest on the Bonds, in the aggregate amount of $3,443, are payable on the eighteenth (18th) day of each month, except that the final installment on the Bonds shall be made 40 years from the date of the Bonds in the sum of the unpaid principal and interest remaining unpaid on the date thereof. The Bonds are subject to prepayment as set forth in the Resolution.

Section 2. All other provisions relating to the Bonds shall be as provided in the Resolution and the Bonds shall be in substantially the form provided in the Resolution with such changes, insertions and omissions as may be approved by the Board of the District. The execution of the Bonds by the Chairman shall be conclusive evidence of such approval.

Section 3. The District hereby approves and accepts the offer of RUS to purchase the Bonds. The execution and delivery by the Chairman and Secretary of the Bonds, and the performance of the obligations contained therein, on behalf of the District are hereby authorized, approved and directed. The price of the Bonds shall be Seven Hundred Fifty Thousand Dollars ($750,000) (100% of par value). At least One Hundred Fifty-Eight Thousand Six Hundred Ninety-Nine Dollars and Twenty-Two Cents ($158,699.22) will be advanced on the date of Closing and the remaining purchase price will be advanced to the District as needed to pay the Costs of the Project.

Section 4. All principal and interest payments on the Bonds will be paid to the order of the United States of America on behalf of the United States Department of Agriculture at its National Finance Office, 1520 Market Street, St. Louis, Missouri 63103.

Section 5. The Bonds shall be issued as a fully registered Bond, both as to principal and interest, and shall be registered to the United States of America on behalf of

the United States Department of Agriculture, Rural Utilities Service, P. O. Box 678, Morgantown, West Virginia 26505.

Section 6. The District hereby appoints and designates One Valley Bank of Summersville, Inc., Summersville , West Virginia, as the Depository Bank, as provided in the Resolution.

Section 7. The District hereby appoints and designates One Valley Bank, National Association, Charleston, West Virginia, as Registrar for the Bonds as provided in the Resolution.

Section 8. A line of credit in an amount not to exceed $1,000,000 from One Valley Bank of Summersville, Inc. (the "Line of Credit"), is hereby approved pursuant to the terms of the Line of Credit Agreement and the Chariman and the Secretary are hereby authorized to sign the Line of Credit Agreement and all other documents related to the Line of Credit upon receipt of an amended order from the Public Service Commission of West Virginia approving the interim financing.

Section 9. The Chairman and the Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Resolution, the RUS financing and the Line of Credit.

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

Section 11. It is anticipated that the Bonds will be delivered on or about September 18, 1997.

Section 12. This Supplemental Resolution shall be effective immediately upon adoption.

Dated: September 18, 1997

W D Daniels

Chairman

[SEAL]

Debbie A. Gee

Secretary

63144

USDA United States Department of Agriculture

Rural Development

Federal Building
75 High Street, Room 320
Morgantown, WV 26505-7500
Phone (304) 284-4888
FAX (304) 284-4892
TTY/TDD (304) 284-4836

August 8, 2001

Wilderness Public Service District
Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative of the United States of America, acting through the Rural Utilities Service, United States Department of Agriculture, the present holder of the entire outstanding aggregate principal amounts of the Prior Bonds, hereinafter defined and described, hereby (i) consents to the issuance of the Water Revenue Bonds, Series 2001 A (United States Department of Agriculture) (the "Bonds"), in the original aggregate principal amount of not to exceed $1,200,000, by Wilderness Public Service District (the "Issuer"), under the terms of the bond resolution authorizing the issuance of the Bonds (the "Resolution"), on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Water Revenue Bonds, Series 1979, dated December 7, 1979, Water Revenue Bonds, Series 1992, dated July 15, 1992, and Water Revenue Bonds, Series 1997, dated September 18, 1997, (the "Prior Bonds"); (ii) waives any requirements imposed by the Prior Bonds or the resolution authorizing the Prior Bonds (the "Prior Resolution"), regarding the issuance of parity bonds which are not met by the Bonds or the Resolution; and (iii) consents to any amendments made to the Prior Resolution by the Resolution or the Supplemental Resolution adopted by the Issuer on August 6, 2001, transferring the Issuer's Prior Bonds Reserve Accounts to the West Virginia Municipal Bond Commission.

Jenny N. Phillips

JENNY N. PHILLIPS
State Director

USDA Rural Development is an Equal Opportunity Lender, Provider and Employer. Complaints of discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, DC 20250-9410.

010287com071301.sca

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 13th day of July, 2001.

CASE NO. 01-0287-PWD-CN

WILDERNESS PUBLIC SERVICE DISTRICT
Application for a certificate of convenience and necessity to extend an 8" waterline from the existing tank on Old Nicholas Road to a 125,000 gallon storage tank to provide Old Nicholas Road, Bruce and Hominy Falls areas and surrounding communities with a potable water supply in Nicholas County.

COMMISSION ORDER

This is before the Commission on Staff's recommendation that the Commission grant the Wilderness Public Service District (District) a certificate of convenience and necessity. For reasons explained below, the Commission concludes that it is reasonable to grant the District a certificate of convenience and necessity.

Background

On May 10, 2001, the District submitted an application for a certificate of convenience and necessity to extend an eight-inch waterline from the existing tank on Old Nicholas Road to a 125,000-gallon storage tank to serve approximately 224 customers in the Old Nicholas Road, Bruce and Hominy Falls areas in Nicholas County. The project will consist of 55,500 linear feet of eight-inch, 50,300 linear feet of six-inch, and 22,100 linear feet of two-inch water lines, one booster station, one 125,000-gallon water storage tank and two pressure reducing stations.

The total cost of the project is estimated to be $4,336,412. The District is proposing to finance the project through the following:

Small Cities Block grant	$ 949,212
Appalachian Regional Commission grant	$1,240,200
Rural Utilities Service (RUS) grant	$ 947,000
RUS loan	$1,200,000.

The RUS loan will accrue at an interest rate of 5% for a period of 40 years. The first two years will require the payment of interest only and the remaining 38 years will require annual principal and interest payments of $70,704. The RUS requires a 10% debt reserve of $7,070 and a depreciation/renewal and replacement reserve equal to 2.5% of operating revenues.

The District has also arranged for interim financing in the amount of $500,000 through BB&T of Summersville for the purpose of paying construction expenses prior to the receipt of grant and loan disbursements. The District will use the proceeds from the grant and loan disbursements to repay this interim loan.

On May 22, 2001, the District filed an affidavit of publication indicating that the Notice of Filing had been published on May 17, 2001, in *The Nicholas Chronicle* as directed in the Commission's May 10, 2001, order. The protest period has expired without any protests being filed.

On June 22, 2001, Staff filed an Initial and Final Joint Staff Memorandum in which it recommended that the application for a certificate and the attendant financing be approved.

Technical Staff noted that the proposed project area suffers from a lack of adequate capacity and/or poor water quality. Technical Staff further noted that the completion of this project will allow the District to fulfill a 25-year promise to the residents on Old Nicholas Road. Furthermore, when the residents of the Hominy Falls area advised the District about the lack of water and/or poor water quality, the District, as part of its obligation to serve the public, agreed to include the Hominy Falls area within this project.

Technical Staff stated that the customer density for the project area is approximately 8.5 which is low for the provision of water service, but noted that the District anticipates further growth within the project area.

Technical Staff stated that in its opinion only certain expenses, such as power, chemicals, labor and administration, should be increased incrementally. Thus, Technical Staff eliminated all maintenance expenses from consideration since maintenance would not be incurred in the first year of operation on warranted systems and since current customers should not have to pay for future maintenance. Technical Staff stated that

Public Service Commission
of West Virginia
Charleston

maintenance expenses will be analyzed in the District's next general rate case. Accordingly, Technical Staff recommended that the total annual O&M expenses for this project be $28,405.00. This is a decrease of $6,755 in the District's estimated O&M expenses of $35,160 found in the District's Rule 42 exhibit.

Technical Staff noted that the District proposed a 5% increase in rates and charges in order to fund the annual O&M expenses, debt service, debt reserve, and depreciation reserve. Technical Staff further noted that the District's bill analysis reflects a total of 150 new customers. However, since it is projected that there will be at least 201 new customers, Technical Staff adjusted the District's bill analysis. Furthermore, as explained in the paragraph above, Technical Staff adjusted the level of O&M expenses. Technical Staff explained that given these two adjustments, the District's proposed 5% increase in rates and charges was excessive.

Accordingly, Technical Staff recommended a 3% increase in rates to cover the project related expenses. Technical Staff explained that Staff's recommended rates will generate additional annual operating revenues of approximately $64,721 over going level revenues. Technical Staff stated that this amount of additional revenues plus the going level surplus of $57,737 will cover the project related expenses and provide a proforma surplus of approximately $14,661 and debt coverage of 122.23%. Technical Staff noted that this amount of surplus is consistent with the District's average capital additions set forth in the District's last rate case. Technical Staff further noted that the debt coverage is sufficient to meet the RUS's requirement of 110%.

Technical Staff requested (as did the District) that the Commission issue an expedited order so that construction could begin shortly after the District's June 28, 2001, bid opening.

DISCUSSION

At the outset, the Commission notes that W. Va. Code § 24-2-11 provides, in pertinent part, as follows:

> (a) No public utility . . . shall begin the construction of any plant . . . for furnishing to the public any [utility] service . . . unless and until it shall obtain from the public service commission a certificate of convenience and necessity requiring such construction. . . . Upon the filing of any application for such certificate, and after hearing, the commission may, in its discretion, issue or refuse to issue, or issue in part and refuse in part, such certificate of

Public Service Commission
of West Virginia

> convenience and necessity: Provided, That the commission, after it gives proper notice and if no protest is received within thirty days after the notice is given, may waive formal hearing on the application.

Furthermore, in considering a certificate application, the Commission must assess whether the general public convenience will be served and assess the public necessity for the project. Sexton v. Public Service Commission, 188 W.Va. 305, 423 S.E.2d 914 (1992).

Upon review, the Commission concludes that the need for this project has been established. Furthermore, the Commission concludes that the District has shown that the proposed project is necessary. As noted by Technical Staff, the proposed project area suffers from a lack of adequate capacity and/or poor water quality. Thus, the completion of this project will improve the quality of water to the residents in the Old Nicholas Road, Bruce and Hominy Falls areas and surrounding communities by providing these areas with a potable water supply.

The Commission finds it reasonable to approve the following financing of the project as recommended by Staff:

Small Cities Block grant	$ 949,212
Appalachian Regional Commission grant	$1,240,200
RUS grant	$ 947,000
RUS loan	$1,200,000.

The RUS loan will accrue at an interest rate of 5% for a period of 40 years. The first two years will require the payment of interest only and the remaining 38 years will require annual principal and interest payments of $70,704. The RUS requires a 10% debt reserve of $7,070 and a depreciation/renewal and replacement reserve equal to 2.5% of operating revenues.

The Commission also finds it reasonable to approve of the arrangement the District has made for interim financing. More specifically, the District has arranged for interim financing in the amount of $500,000 through BB&T of Summersville for the purpose of paying construction expenses prior to the receipt of grant and loan disbursements. The District will use the proceeds from the grant and loan disbursements to repay this interim loan.

The Commission agrees with Staff that all maintenance expenses should be eliminated from the District's proposed total O&M expenses for this project since maintenance would not be incurred in the first year of operation on warranted systems and

Public Service Commission
of West Virginia
Charleston

since current customers should not have to pay for future maintenance. As noted by Staff, maintenance expenses will be analyzed in the District's next general rate case. Thus, the total O&M expenses for this project should be reduced from the District's proposed $35,160.00 to $28,405.00.

The Commission also agrees with Staff that District's bill analysis should be modified. The District's bill analysis only reflected a total of 150 new customers. However, since the District made its bill analysis it has been projected that there will be at least a total of 201 new customers.

Finally, the Commission agrees with Staff that given the two adjustments to the District's proposed figures, the reduction of the O&M expenses and the modification of the District's bill analysis, the District's proposed 5% increase in rates and charges is excessive. Therefore, the Commission finds that Staff's recommended 3% increase in the District's current rates to be reasonable. As noted by Staff the 3% increase in the District's current rates will cover the project related expenses and will provide a surplus which is consistent with the District's average capital additions set forth in the District's last rate case and will provide a debt coverage sufficient to meet the RUS's requirement of 110%. Accordingly, the Commission will approve of the 3% increase in the District's rates as reflected in Staff's recommended rates which are attached to this order as Attachment A. The Staff recommended rates are to go into effect once the project starts providing service. The Commission will require the District to notify Staff in writing when the project is substantially complete.

Based on all of the above and based on the fact that the protest period has expired without any protest being filed, the Commission concludes that it is reasonable to grant the District a certificate of convenience and necessity without hearing and on an expedited basis. The Commission notes that should there be any changes in the plans, scope or financing of the project, then the District must seek Commission approval of any such changes.

FINDINGS OF FACT

1. On May 10, 2001, the District submitted an application for a certificate of convenience and necessity to extend an eight-inch waterline from the existing tank on Old Nicholas Road to a 125,000-gallon storage tank to serve approximately 224 customers in the Old Nicholas Road, Bruce and Hominy Falls areas in Nicholas County. The project will consist of 55,500 linear feet of eight-inch, 50,300 linear feet of six-inch, and 22,100 linear feet of two-inch water lines, one booster station, one 125,000-gallon water storage tank and two pressure reducing stations. See Form 5 attached to District's application filed May 10, 2001.

Public Service Commission
of West Virginia

2. The total cost of the project is estimated to be $4,336,412. The District is proposing to finance the project through the following:

Small Cities Block grant	$ 949,212
Appalachian Regional Commission grant	$1,240,200
Rural Utilities Service (RUS) grant	$ 947,000
RUS loan	$1,200,000.

The RUS loan will accrue at an interest rate of 5% for a period of 40 years. The first two years will require the payment of interest only and the remaining 38 years will require annual principal and interest payments of $70,704. The RUS requires a 10% debt reserve of $7,070 and a depreciation/renewal and replacement reserve equal to 2.5% of operating revenues. Id. and Initial and Final Internal Memorandum attached to Initial and Final Joint Staff Memorandum filed June 22, 2001, at p. 4.

3. The District has also arranged for interim financing in the amount of $500,000 through BB&T of Summersville for the purpose of paying construction expenses prior to the receipt of grant and loan disbursements. The District will use the proceeds from the grant and loan disbursements to repay this interim loan. Initial and Final Internal Memorandum at p. 4.

4. The District filed an affidavit of publication indicating that the Notice of Filing had been published on May 17, 2001, in *The Nicholas Chronicle* as directed in the Commission's May 10, 2001, order. The protest period has expired without any protests being filed. See Affidavit of publication filed May 22, 2001, and file generally.

5. Staff recommended that the District's application for a certificate and the attendant financing be approved. See Initial and Final Joint Staff Memorandum filed June 22, 2001.

6. Technical Staff noted that the proposed project area suffers from a lack of adequate capacity and/or poor water quality. Technical Staff further noted that the completion of this project will allow the District to fulfill a 25-year promise to the residents on Old Nicholas Road. Furthermore, when the residents of the Hominy Falls area advised the District about the lack of water and/or poor water quality, the District, as part of its obligation to serve the public, agreed to include the Hominy Falls area within this project. See Initial and Final Internal Memorandum at pp. 2 and 4.

7. Technical Staff stated that the customer density for the project area is approximately 8.5 which is low for the provision of water service, but noted that the District anticipates further growth within the project area. See Id. at p. 3.

Public Service Commission
of West Virginia
Charleston

8. Technical Staff stated that in its opinion only certain operational expenses, such as power, chemicals, labor and administration, should be increased incrementally. Thus, Technical Staff eliminated all maintenance expenses from consideration since maintenance would not be incurred in the first year of operation on warranted systems and since current customers should not have to pay for future maintenance. Technical Staff stated that maintenance expenses will be analyzed in the District's next general rate case. Accordingly, Technical Staff recommended that the total annual O&M expenses for this project be $28,405.00. This is a decrease of $6,755 in the District's estimated O&M expenses of $35,160 found in the District's Rule 42 exhibit. See Id. at p. 5.

9. Technical Staff noted that the District proposed a 5% increase in rates and charges in order to fund the annual O&M expenses, debt service, debt reserve, and depreciation reserve. Technical Staff further noted that the District's bill analysis reflects a total of 150 new customers. However, since it is projected that there will be at least 201 new customers, Technical Staff adjusted the District's bill analysis. Furthermore, as explained in the paragraph above, Technical Staff adjusted the level of O&M expenses. Technical Staff explained that given these two adjustments, the District's proposed 5% increase in rates and charges was excessive. Accordingly, Technical Staff recommended a 3% increase in rates to cover the project related expenses. Technical Staff explained that Staff's recommended rates will generate additional annual operating revenues of approximately $64,721 over going level revenues. Technical Staff stated that this amount of additional revenues plus the going level surplus of $57,737 will cover the project related expenses and provide a proforma surplus of approximately $14,661 and debt coverage of 122.23%. Technical Staff noted that this amount of surplus is consistent with the District's average capital additions set forth in the District's last rate case. Technical Staff further noted that the debt coverage is sufficient to met the RUS's requirement of 110%. See Id.

10. Technical Staff requested (as did the District) that the Commission issue an expedited order so that construction could begin shortly after the District's June 28, 2001, bid opening. See Id. at p. 6 and Cover letter to District's application.

CONCLUSIONS OF LAW

1. The Commission concludes that the District has shown that the project is needed and necessary as required in Sexton v. Public Service Commission, 188 W.Va. 305, 423 S.E.2d 914 (1992).

2. The Commission concludes that pursuant to W. Va. Code § 24-2-11 it is reasonable to grant the District a certificate of convenience and necessity to construct the project as described in its application without hearing and on an expedited basis.

Public Service Commission
of West Virginia
Charleston

3. The Commission finds it reasonable to approve the following financing of the project as recommended by Staff:

Small Cities Block grant	$ 949,212
Appalachian Regional Commission grant	$1,240,200
RUS grant	$ 947,000
RUS loan	$1,200,000.

The RUS loan will accrue at an interest rate of 5% for a period of 40 years. The first two years will require the payment of interest only and the remaining 38 years will require annual principal and interest payments of $70,704. The RUS requires a 10% debt reserve of $7,070 and a depreciation/renewal and replacement reserve equal to 2.5% of operating revenues.

4. The Commission finds it reasonable to approve the District's interim financing arrangement with BB&T of Summersville as more specifically described above.

5. The Commission concludes that the total O&M expenses for this project should be reduced from the District's proposed $35,160.00 to $28,405.00 as recommended by Staff.

6. The Commission concludes that District's bill analysis should be modified to reflect that there will be a total of 201 new customers as recommended by Staff.

7. The Commission concludes that given the reduction of the District's proposed O&M expenses and the modification of the District's bill analysis, the District's proposed 5% increase in rates and charges is excessive. The Commission further concludes that Staff's recommended 3% increase in the District's current rates is reasonable. Accordingly, the Commission will approve of the 3% increase in the District's rates as reflected in Staff's recommended rates which are attached to this order as Attachment A. The Staff recommended rates are to go into effect once the project starts providing service.

8. The Commission will direct the District to notify the Staff in writing once the project is substantially completed.

9. The Commission concludes that should there be any changes in the plans, scope or financing of the project, then the District must seek Commission approval of any such changes.

Public Service Commission
of West Virginia
Charleston

ORDER

IT IS, THEREFORE, ORDERED that a certificate of convenience and necessity is granted to the Wilderness Public Service District to construct the project as described above.

IT IS FURTHER ORDERED that the following financing of the project is approved:

Small Cities Block grant	$ 949,212
Appalachian Regional Commission grant	$1,240,200
RUS grant	$ 947,000
RUS loan	$1,200,000.

The Commission notes that the RUS loan will accrue at an interest rate of 5% for a period of 40 years. The first two years will require the payment of interest only and the remaining 38 years will require annual principal and interest payments of $70,704. The RUS requires a 10% debt reserve of $7,070 and a depreciation/renewal and replacement reserve equal to 2.5% of operating revenues.

IT IS FURTHER ORDERED that the District's interim financing arrangement with BB&T of Summersville, as more specifically described above, is approved.

IT IS FURTHER ORDERED that Staff's recommended rates, which reflect a 3% increase in the District's current rates and which are attached to this order as Attachment A, are approved for use once the project is providing service.

IT IS FURTHER ORDERED that thirty (30) days prior to the Staff recommended rates being implemented, the Wilderness Public Service District shall file with the Commission a revised tariff setting forth the new rates and charges approved in this order.

IT IS FURTHER ORDERED that the Wilderness Public Service District notify Staff in writing when the project is substantially completed.

IT IS FURTHER ORDERED that District request a reopening of this certificate case should there be any changes in the plans, scope or financing of the project for the purpose of seeking Commission approval of any such changes.

IT IS FURTHER ORDERED that, upon entry hereof, this proceeding shall be removed from the Commission's active docket of cases.

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

LJA/ljm
010287c.sca

A True Copy, Teste:

Sandra Squire
Executive Secretary

WILDERNESS PUBLIC SERVICE DISTRICT
Case No. 01-0287-PWD-CN

Staff Recommended Rates

APPLICABILITY

Applicable to entire territory served

AVAILABILITY OF SERVICE

Available for general, domestic, commercial and industrial service

(A) METERED RATES

First	3,000	gallons used per month	$7.53 per 1,000 gallons
Next	3,000	gallons used per month	$6.94 per 1,000 gallons
Next	4,000	gallons used per month	$6.32 per 1,000 gallons
Next	15,000	gallons used per month	$5.57 per 1,000 gallons
Next	75,000	gallons used per month	$4.56 per 1,000 gallons
Over	100,000	gallons used per month	$2.89 per 1,000 gallons

(A) MINIMUM CHARGE

The above schedule is subject to a monthly minimum charge based on the size of the meter in use as follows:

5/8	inch meter	$ 22.59
1	inch meter	$ 56.48
2	inch meter	$180.72
3	inch meter	$338.85

DELAYED PAYMENT PENALTY

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

TAPPING FEES FOR NEW SERVICE

There shall be a charge of $250.00 for any new service.

LOCATION TRANSFER

There is no charge for customers transferring from one location to another.

(A) Indicates increase in rates

CUSTOMER DEPOSITS

Each Applicant desiring water shall pay a security deposit of $50.00 at the time the application for service is made.

TRAILER COURTS

Each house trailer in courts shall be provided with a meter and be billed in the same manner as any other family or business.

DISCONNECTION FEE

$20.00

RECONNECTION FEE

$20.00

RETURNED CHECK FOR INSUFFICIENT FUNDS CHARGE

If a check is returned by the bank for any reason, the bank's charge to the Wilderness Public Service District shall be the District's charge to the customer for such a bad check, but such charge to customers shall not exceed $15.00.

(A) INCREMENTAL COST OF WATER-PRODUCED CHARGE

$0.59 M. Gal. 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 is used to calculate consumption above the customer's historical average usage.

(A) Indicates increase in rates

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

RECEIPT FOR BOND AND TRANSCRIPTS

The undersigned, authorized representative of the United States Department of Agriculture, Rural Utilities Service, for and on behalf of the United States of America (the "Purchaser"), hereby certifies as follows:

1. On the 8th day of August, 2001, at Mt. Nebo, West Virginia, the undersigned received for the Purchaser the single, fully registered Wilderness Public Service District Water Revenue Bond, Series 2001 A (United States Department of Agriculture), No. AR-1, in the principal amount of $1,200,000 (the "Bonds"), dated the date hereof, bearing interest at the rate of 4.875% per annum, payable in monthly installments as stated in the Bonds. The Bonds represent the entire above-captioned Bond issue.

2. At the time of such receipt, the Bonds have been executed and sealed by the designated officials of the Public Service Board of Wilderness Public Service District (the "Issuer").

3. At the time of such receipt, there was paid to the Issuer the sum of $14,266.55, being a portion of the principal amount of the Bonds. Further advances of the balance of the principal amount of the Bonds will be paid to the Issuer as acquisition and construction of the Project progresses.

4. At the time of such receipt, the undersigned also received three sets of bond transcript documents.

WITNESS my signature on this 8th day of August, 2001.

Roger Ozum

Authorized Representative

07/23/01
972000/00001

CH439267.1

SPECIMEN

WILDERNESS PUBLIC SERVICE DISTRICT

WATER REVENUE BOND, SERIES 2001 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

$1,200,000

No. AR-1 Date: August 8, 2001

FOR VALUE RECEIVED, WILDERNESS PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of ONE MILLION TWO HUNDRED THOUSAND DOLLARS ($1,200,000), plus interest on the unpaid principal balance at the rate of 4.875% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first 24 months after the date hereof, and $5,796, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 40 years from the date of this Bond, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government 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.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of additions, extensions and improvements to the waterworks system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Borrower, as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions 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, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 16, Article 13A of the West Virginia Code, as amended (the "Act"), and a Resolution of the Borrower duly adopted August 6, 2001, authorizing issuance of this Bond (the "Resolution").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

THIS BOND IS ISSUED ON A PARITY, AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE BORROWER'S WATER REVENUE BONDS, SERIES 1979, WATER REVENUE BONDS, SERIES 1992, AND WATER REVENUE BONDS, SERIES 1997, AS DESCRIBED IN THE RESOLUTION.

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Bond to be executed by its Chairman and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Secretary, all as of the date hereinabove written.

WILDERNESS PUBLIC SERVICE DISTRICT

[CORPORATE SEAL]

SPECIMEN

Chairman, Public Service Board
P. O. Box 37
Mt. Nebo, West Virginia 26679

ATTEST:

SPECIMEN

Secretary, Public Service Board

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$ 14,266.55	8/8/01	(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 $

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:

_____

07/23/01
972000/00001

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW
Clarksburg Charleston Morgantown Martinsburg Wheeling Parkersburg

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

Writer's Contact Information

August 8, 2001

Wilderness Public Service District
Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

Wilderness Public Service District
Mt. Nebo, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Wilderness Public Service District in Nicholas County, West Virginia (the "Issuer"), of its $1,200,000 Water Revenue Bonds, Series 2001 A, dated the date hereof (the "Bonds"), pursuant to Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a resolution of the Issuer duly adopted August 6, 2001 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Resolution and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and a political subdivision of the State of West Virginia with corporate power to adopt the Resolution, perform the agreements on its part contained therein and issue the Bonds.

2. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.

3. Pursuant to the Act, the Resolution creates a valid lien on the funds pledged by the Resolution for the security of the Bonds, on a parity with the Issuer's Water Revenue Bonds, Series 1979, dated December 7, 1979, issued in the original aggregate principal amount of $740,000, Water Revenue Bonds, Series 1992, dated July 15, 1992, issued in the original aggregate principal amount of $350,000,

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and Water Revenue Bonds, Series 1997, dated September 18, 1997, issued in the original aggregate principal amount of $750,000, and subject to no prior lien granted under the Act.

4. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from the sources provided therefor in the Resolution.

5. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

6. The Bonds are, under the Act, exempt from taxation by the State of West Virginia, and the other taxing bodies of said State, and interest on the Bonds is exempt from personal income taxes 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 Resolution 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 the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

STEPTOE & JOHNSON PLLC

07/23/01
972000/00001

CH439280.1

LAW OFFICE OF
GREGORY A. TUCKER
719 MAIN STREET
SUMMERSVILLE, WEST VIRGINIA 26651
TELEPHONE: (304) 872-2500
FAX: (304) 872-1188

August 8, 2001

Wilderness Public Service District
Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

Wilderness Public Service District
Mt. Nebo, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentleman:

I am counsel to Wilderness Public Service District, a public service district in Nicholas County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a resolution of the Issuer duly adopted August 6, 2001 (the "Resolution"), other documents and papers relating to the Issuer and the above-captioned Bonds of the Issuer (the "Bonds") and documents and orders of The County Commission of Nicholas County relating to the creation and expansion of the Issuer and the appointment of members of the Public Service Board of the Issuer. All capitalized terms used in the Resolution and not otherwise defined herein shall have the same meanings as defined in the Resolution when used herein.

I am of the opinion that:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and political subdivision of the State of West Virginia.

2. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

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

4. The execution and delivery of the Bonds and the consummation of the transactions contemplated by the Board and the Resolution, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

5. All permits, licenses, approvals, consents, certificates, orders, exemptions and authorizations necessary for the due creation and valid existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges have been entered and/or received, including without limitation, all requisite orders, certificates, consents and approvals from The County Commission of Nicholas County and the Public Service Commission of West Virginia, and the Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has duly published a notice of the acquisition and construction of the Project, the issuance of the Bonds and related matters, as required under Chapter 16, Article 13A, Section 25 of the West Virginia Code of 1931, as amended, and has duly complied with the provisions thereof.

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

Very truly yours,

Gregory A. Tucker, Esq.

GAT:cab

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

COMBINED CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. AUTHORIZATION AND AWARD OF BONDS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES, ETC.
6. CERTIFICATION OF COPIES OF DOCUMENTS
7. INCUMBENCY AND OFFICIAL NAME, ETC.
8. DELIVERY AND PAYMENT AND USE OF PROCEEDS
9. LAND AND RIGHTS-OF-WAY
10. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.
11. CONTRACTORS' INSURANCE, ETC.
12. CONNECTIONS, ETC.
13. MANAGEMENT
14. GRANTS
15. CONFLICT OF INTEREST

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Wilderness Public Service District in Nicholas County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, acting for the Issuer and in its name, hereby state and certify in connection with the Wilderness Public Service District Water Revenue Bonds, Series 2001 A (United States Department of Agriculture), No. AR-1, dated the date hereof, fully registered, in the principal amount of $1,200,000 and bearing interest at the rate of 4.875% per annum (the "Bonds" or the "Series 2001 A Bonds"), as follows:

1. AUTHORIZATION AND AWARD OF BONDS: The undersigned are authorized to execute this certificate on behalf of the Issuer and are knowledgeable with respect to the matters set forth herein. The entire issue of the Bonds has been duly awarded to the United States of America, acting by the United States Department of Agriculture, Rural Utilities Service (the "Purchaser"), pursuant to a Letter of Conditions of the Purchaser, dated January 25, 2001, and all amendments thereto, and as appears in Section 7.03 of the Resolution of the Issuer duly adopted August 6, 2001, authorizing issuance of the Bonds (the

"Resolution" or "Bond Resolution"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning as defined in the Resolution when used herein. The Bonds are being issued on this date to finance a portion of the cost of the acquisition and construction of the Project located within the boundaries of the Issuer.

2. NO LITIGATION: No controversy or litigation of any nature is now pending, or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the issuance and delivery of the Bonds or receipt of any grant moneys committed for the System; nor questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds; nor in any way questioning or affecting the validity of the grants committed for the System or the Bonds, or any provisions made or authorized for the payment thereof, including, without limitation, the pledge or application of any moneys or security therefor; nor questioning the existence, powers or proceedings of the Issuer or its Public Service Board (the "Governing Body") or the title of the members and officers thereof to their respective offices; nor questioning the operation of the System or the acquisition and construction of the Project, a portion of the cost of which is being financed out of the proceeds of sale of the Bonds; nor questioning the rates and charges provided for services of the System.

3. GOVERNMENTAL APPROVALS: All applicable and necessary approvals, permits, authorizations, registrations, exemptions, consents and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, 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 were 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.

The Issuer has received the Commission Order of the Public Service Commission of West Virginia dated July 13, 2001, in Case No. 01-0287-PWD-CN, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order has expired prior to the date hereof.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval by the Purchaser of a loan to assist in acquisition and construction of the Project.

There are outstanding obligations of the Issuer which will rank on a parity with the Series 2001 A Bonds as to liens, pledge and source of and security for payment, being the Water Revenue Bonds, Series 1979, dated December 7, 1979, issued in the original aggregate principal amount of $740,000, Water Revenue Bonds, Series 1992, dated July 15, 1992, issued in the original aggregate principal amount of $350,000, and Water

Revenue Bonds, Series 1997, dated September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Prior Bonds"), and held by the Purchaser. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which rank prior to or on a parity with the Series 2001 A Bonds as to liens, pledge and/or source of and security for payment.

The Issuer is not in default under the terms of the Prior Bonds, or the resolutions authorizing issuance of the Prior Bonds or any document in connection therewith, and has complied with all requirements of all the foregoing with respect to the issuance of parity bonds or has obtained a sufficient and valid consent or waiver thereof.

5. SIGNATURES, ETC.: The undersigned Chairman and Secretary did, for the Issuer on the date of delivery of the Bonds on the date hereof, officially execute and seal the Bonds with the official corporate seal of the Issuer, an impression of which seal is on this certificate above our signatures and said officers are the duly elected, appointed, qualified and serving officers as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Bonds for the Issuer.

6. 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, supplemented or changed in any way unless modification appears from later documents also listed below:

Bond Resolution

Supplemental Resolution Amending Prior Resolutions

1979 Bond Resolution

1992 Bond Resolution

1997 Bond Resolution

Consent to Issuance of Parity Bonds

Public Service Commission Order

County Commission Orders Regarding Creation and Enlargement of the District and Approval of Public Service Commission

County Commission Orders of Appointment of Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Affidavit of Publication on Borrowing

Minutes of Current Year Organizational Meeting and on Adoption of Bond Resolution and Supplemental Resolution and Affidavit of Publication of Special Meeting

United States Department of Agriculture Letter of Conditions and Closing Instructions

United States Department of Agriculture Grant Agreement

Appalachian Regional Commission Grant Agreement

Small Cities Block Grant Agreement

The undersigned Chairman hereby covenants that he has or will file tariffs pursuant to final order of the Public Service Commission when the completion date of the Project is definitely known, or has caused or will cause such tariffs to be filed in accordance with said order.

7. INCUMBENCY AND OFFICIAL NAME, ETC.: The proper corporate title of the Issuer is "Wilderness Public Service District" and its principal office and place of business are in Nicholas County, West Virginia. The Issuer is a public service district and public corporation and political subdivision of the State of West Virginia. The governing body of the Issuer is its Public Service Board consisting of three duly appointed, qualified and acting members, 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
Roger O'Quinn	March 7, 2001	April 1, 2007
James L. McClung	August 18, 1999	April 1, 2005
Charles L. Eary	August 4, 1999	April 1, 2003

The names of the duly elected, appointed, qualified and acting officers of said Public Service Board of said Issuer for the calendar year 2001 are as follows:

Chairman	-	Roger O'Quinn
Secretary	-	Debbie A. Gee
Treasurer	-	James L. McClung

The duly appointed and acting Attorney for the Issuer is Gregory A. Tucker of Summersville, West Virginia.

8. DELIVERY AND PAYMENT AND USE OF PROCEEDS: On the date hereof, the Bonds were delivered to the Purchaser at Mt. Nebo, West Virginia, by the undersigned Chairman for the purposes set forth herein, and at the time of such delivery the Bonds had been duly and fully executed and sealed on behalf of the Issuer in accordance with the Bond Resolution.

At the time of delivery of the Bonds, the amount of $14,266.55 was received by the undersigned Chairman, being a portion of the principal amount of the Bonds. Further advances of the balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

The Bonds are dated the date hereof, and interest on advances of the principal thereof at the rate of 4.875% per annum is payable from the date of each such advance.

The Bonds and the entire proceeds thereof will be used for the purposes herein set forth and for no other purposes.

9. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition, construction, operation and maintenance of the Project and 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.

10. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.: All actions, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at 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 appointed, 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.

11. CONTRACTORS' INSURANCE, ETC.: All contractors will be required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Letter of Conditions of the Purchaser, as amended, and the Bond Resolution.

12. CONNECTIONS, ETC.: The Issuer will serve at least 1727 bona fide full-time users upon the Project on completion, in full compliance with the requirements and conditions of the Purchaser.

13. MANAGEMENT: The Issuer has heretofore delivered to the Purchaser a plan concerning operation and management of the System, which plan was found to be acceptable by such Purchaser.

14. GRANTS: As of the date hereof, the grant from the Purchaser in the amount of $947,000, the grant from the Appalachian Regional Commission in the amount of $1,240,200, and the grant from the Small Cities Block Grant Program in the amount of $949,212 are committed and in full force and effect.

15. 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 Resolution and/or the Project, including, without limitation, with respect to the Depository Bank, as defined in the Bond Resolution. 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.

WITNESS our signatures and the official seal of WILDERNESS PUBLIC SERVICE DISTRICT on this 8th day of August, 2001.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Chairman
_____	Secretary
_____	Attorney for Issuer

07/26/01
972001/0001

CH439291.1

STAFFORD
CONSULTANTS
INCORPORATED
Engineering, Design, and Consulting
Planning and Environmental Services

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

ENGINEER'S CERTIFICATE

We, Jack D. Stafford, Registered Professional Engineer, West Virginia License No. 6753, and Edward L. Shutt, Registered Professional Engineer, West Virginia License No. 7314 of Stafford Consultants, Incorporated, Princeton, West Virginia, hereby certify that our firm is the engineer for the acquisition and construction of certain additions, improvements and extensions (the "Project") (namely the Old Nicholas Road/Hominy Falls Waterline Extension, as further outlined in documents approved by the West Virginia Office of Environmental Health Services Permit Nos. 14,862 and 14,928) to the existing waterworks system (the "System") of Wilderness Public Service District (the "Issuer"), to be acquired and constructed in Nicholas County, West Virginia, which acquisition and construction are being financed in whole or in part by the above-captioned bonds of the Issuer.

We further certify that the Project will, to the best of our knowledge, within the limits and in accordance with the applicable and governing contractual requirements related to the Project, be constructed in general accordance with plans and specifications prepared by our firm and that the System and the Project are situate wholly or chiefly within the boundaries of the Issuer.

We further certify that the Project is adequate for the purpose for which it was designed and that the following necessary governmental approvals, consents, authorizations, certificates and permits for the acquisition and construction thereof have been obtained or can and will be obtained:

1. Department of Army – Corps of Engineers Permit dated February 8, 2001.

2. West Virginia Division of Highways Permit No. 09-01-0040 dated January 30, 2001.

3. West Virginia Division of Environmental Protection – WV/NPDES – Construction Storm Water Management Permit WV0115100 dated April 5, 2001.

4. West Virginia Public Land Corporation Permit dated March 13, 2001.

1105 Mercer Street • Post Office Box 5849 • Princeton, West Virginia 24740
Telephone (304) 425-9555 • Fax (304) 425-9557

5. West Virginia Bureau of Public Health Permit 14,862 dated April 25, 2001 and Permit No. 14,928 dated June 21, 2001.

Stafford Consultants, Incorporated has not reviewed the potential applicability of the National Environmental Policy Act to the acquisition and construction of the Project or operation of the System.

WITNESS our signatures and seals on this 8th day of August 2001.

STAFFORD CONSULTANTS, INCORPORATED

[SEAL]

JACK D. STAFFORD, C.E. REGISTERED NO. 6753 STATE OF WEST VIRGINIA PROFESSIONAL ENGINEER

8-3-01

Jack D. Stafford, P.E.
West Virginia License No. 6753

[SEAL]

EDWARD L. SHUTT REGISTERED 7314 STATE OF WEST VIRGINIA PROFESSIONAL ENGINEER

Edward L. Shutt, P.E.
West Virginia License No. 7314

STATE OF WEST VIRGINIA,
COUNTY OF NICHOLAS, ss:

IN THE COUNTY COURT THEREOF.

ORDER CREATING

WILDERNESS PUBLIC SERVICE DISTRICT

IN NICHOLAS COUNTY, WEST VIRGINIA

****

WHEREAS, the County Court of Nicholas County, West Virginia, did heretofore fix a date for a public hearing on the creation of the proposed Wilderness Public Service District, and in and by notice published, provide that all persons residing in or owning or having any interest in property in the proposed public service district might appear before the County Court at this meeting and have the opportunity to be heard for and against the creation of said district; and,

WHEREAS, notice of this hearing was duly given in the manner provided and required by said order and by Article 13A of Chapter 16 of the West Virginia Code, and all interested parties having been afforded an opportunity of being heard for and against the creation of said district, but no written protest has been filed by the requisite number of qualified voters registered and residing within said proposed public service district and said County Court has given due consideration to all matters for which such hearing was offered; and,

WHEREAS, it is now deemed desirable by the said County Court to enter an order creating said district:

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Court of Nicholas County, West Virginia, as follows:

Section 1. That a public service district within

Nicholas County, West Virginia, is hereby created and said district shall have the following boundaries:

Beginning at a point in the center of Gauley River, more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following said County line to the mouth of Anglins Creek; thence leaving said River and County line and up Anglins Creek with its meanderings thereof to the mouth of Dorsey Brance; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; thence with West Virginia County Road Number 13 to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 26; thence leaving said roads and down and with a right hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said Creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving said high water mark and with said District line and down and with the center of Gauley River, more or less, to the place of beginning.

Containing an area of approximately 23,406 acres and the communities of Mt. Nebo, Mt. Lookout, Runa, and Pool, among others, all within Wilderness Magisterial District of Nicholas County, State of West Virginia.

Section 2. That said public service district so created shall have the name and corporate title of "Wilderness Public Service District" and shall constitute a public corporation and political sub-division of the State of West Virginia, having all of the rights and powers conferred on public service districts by the laws of the State of West Virginia, and particularly Article 13A of Chapter 16 of the West Virginia Code.

Section 3. That the County Court of Nicholas County, West Virginia, has determined that the territory within Nicholas County, West Virginia, having the above described boundaries is so situated that the construction or acquisition by purchase or otherwise and the maintenance, operation, improvement and extension of properties supplying water services within such territory by said public service district will be conducive to the preservation of public health, comfort, and convenience of said area.

Given under our hands this the 7th day of April, 1975.

President

B. B. Campbell
Commissioner

Marie McKinney
Commissioner

STATE OF WEST VIRGINIA,
COUNTY OF NICHOLAS, ss:

I, Spurgeon Hinkle, Jr., hereby certify that I am the duly qualified and acting Clerk of the County Court of Nicholas County, West Virginia, and that the foregoing constitutes a true, correct, and complete transcript of the proceedings of said County Court as had under date of April , 1975, and an order then adopted relating to the creation of the Wilderness Public Service District, all as shown by the official records in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the seal of the Court at Summersville, West Virginia this 7 day of April, 1975.

Clerk, County Court

(SEAL)

I, JOHN GREER, do hereby certify that this is a true copy from the records.
Teste: JOHN GREER, Clerk
Nicholas County Clerk
Date 4/26/02 By John Greer
Clerk

STATE OF WEST VIRGINIA BOOK 0031 PAGE 741
COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

O R D E R

WHEREAS, pursuant to a Class I legal notice, a public hearing was held in the matter of the proposed boundary change of the Wilderness Public Service District, to include certain areas around Meadow River and Nallen in Fayette and Nicholas Counties; and,

WHEREAS, said public hearing was conducted on Wednesday, January 8, 1992 at 9:30 a.m., in the office of the Nicholas County Commission, Nicholas County Courthouse, Summersville, West Virginia, for the express purpose of public comment on the proposed boundary change; and,

WHEREAS, it was noted that present for the hearing was W. D. Amick, Chairman, Wilderness Public Service District and Attorney Timothy Ruckman, Counsel for said District, and further that no other persons appeared to offer input into this matter.

THEREFORE, upon motion made by President Don McClung and seconded by Commissioner Lloyd Paxton, with motion passing unanimously, the following boundary change was so Ordered by the Nicholas County Commission.

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following Fayette and Nicholas County Line to a point where Fayette County Route 41/1 comes down to River Side. Thence up said route across CSX Railroad Tracks and thence leaving said Route 41/1 and paralleling CSX Railroad Tracks at an offset of 500' west of said tract centerline to a point in line with Greenbrier, Nicholas County Line. Then in a eastward direction across Route 41, across CSX Railroad Track across Meadow River to said County Line and up said line to, and following first right fork of Miller Creek; thence leaving Miller Creek and crossing Nicholas County Rt. 41/10 and paralleling Rt. 41 offset 1000' feet east of said road and across 41/9 and continuing at an 500' offset from Rt. 41 to Anglins Creek with its meanderings thereof to the mouth of Dorsey Branch; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersectio of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; Thence with West Virginia County Road Number

13 to the intersection of West Virginia County Road Number 13 and West Virginia Road Number 26; thence leaving said roads and down and with a right-hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point 500 feet north of picnic area on west shore of Battle Run Cove; thence leaving this high water mark following and 500 feet on north side of West Virginia County Road to a point 1,200 feet from and on east side of West Virginia County Road Number 9; thence following West Virginia County Road Number 9 and 1,200 feet on east side of said road 3,700 feet to a point; thence proceeding along a line perpendicular to centerline of said road and crossing said road to a point 1,200 feet on the west side of said road; thence following said road and 1,200 feet on west side of said to a point on State Route 129 near Zoar Church and 1,200 feet from Keslers Cross Lanes Intersection; thence following State Route 129 from said intersection and 1,200 feet on west side of said route to a point 1, 200 feet from intersection of said route and West Virginia Secondary Route 23 and 1,200 feet on the west side of said route to a point 700 feet from boundary line of Carnifex Ferry State Park, thence leaving West Virginia Secondary Route 23 and proceeding to a point being the northeast corner of the Carnifex Ferry State Park; thence proceeding to the southeast corner along State Park property line; thence following a straight line to the place of beginning containing 27,654 acres, more or less shown on the attached map to this Order.

Entered this 22 day of January, 1992

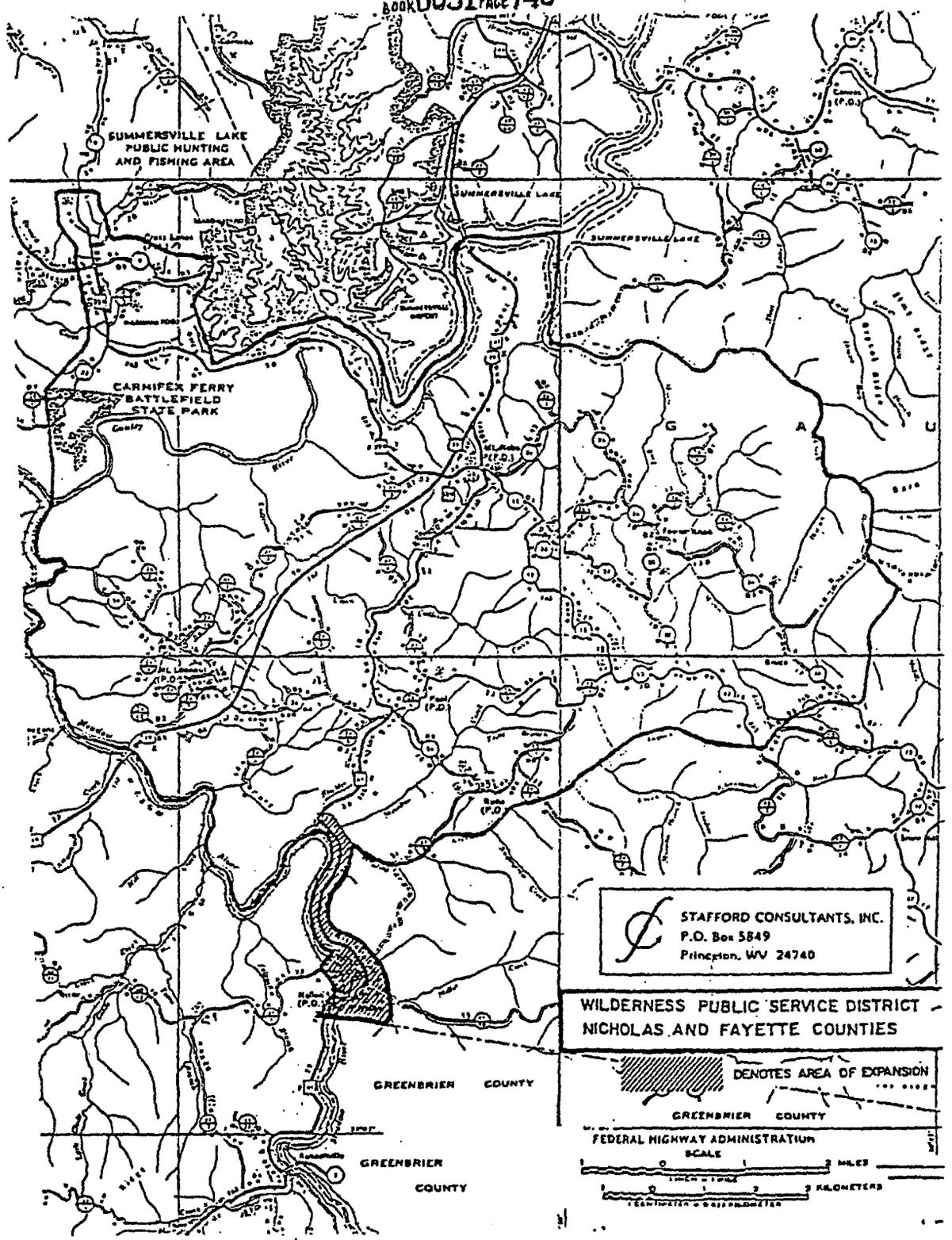
Don McClung President

W. Don Hartley, Commissioner

Approved:

Lloyd G. Paxton, Commissioner

Prosecuting Attorney



I, JOHN GREER, do hereby certify that this is a true copy from the records.
Teste: JOHN GREER, Clerk
Nicholas County Clerk
Date 4/26/11 By _____ Clerk

RESOLUTION

The Nicholas County Commission met in regular session at the Courthouse on Wednesday, August 31, 1983.

Upon motion made by Commissioner Lay and seconded by President Cutlip, and which motion passing unanimously, the following Resolution was adopted.

That the Wilderness Public Service District be expanded to include certain areas of federal land in and around the Summersville Dam and Keslers Cross Lanes, and;

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following said County line to the mouth of Anglins Creek; thence leaving said River and County line and up Anglins Creek with its meanderings thereof to the mouth of Dorsey Branch; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; thence with West Virginia County Road Number 13 to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 26; thence leaving said roads and down and with a right-hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said Creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point

500 feet north of picnic area on west shore of Battle Run Cove; thence leaving this high water mark following and 500 feet on north side of West Virginia County Road to a point 1,200 feet from and on east side of West Virginia County Road Number 9; thence following West Virginia County Road Number 9 and 1,200 feet on east side of said road 3,700 feet to a point; thence proceeding along a line perpendicular to centerline of said road and crossing said road to a point 1,200 feet on the west side of said road; thence following said road and 1,200 feet on west side of said to a point on State Route 129 near Zoar Church and 1,200 feet from Keslers Cross Lanes Intersection; thence following State Route 129 from said intersection and 1,200 feet on west side of said route to a point 1,200 feet from intersection of said route and West Virginia secondary Route 23; thence following West Virginia Secondary Route 23 and 1,200 feet on the west side of said route to a point 700 feet from boundary line of Carnifex Ferry State Park, thence leaving West Virginia Secondary Route 23 and proceeding to a point being the northeast corner of the Carnifex Ferry State Park; thence proceeding to the southeast corner along State Park property line; thence following a straigt line to the place of beginning containing 27,014 acres, more or less shown on the attached map to this resolution to be made a part of same.

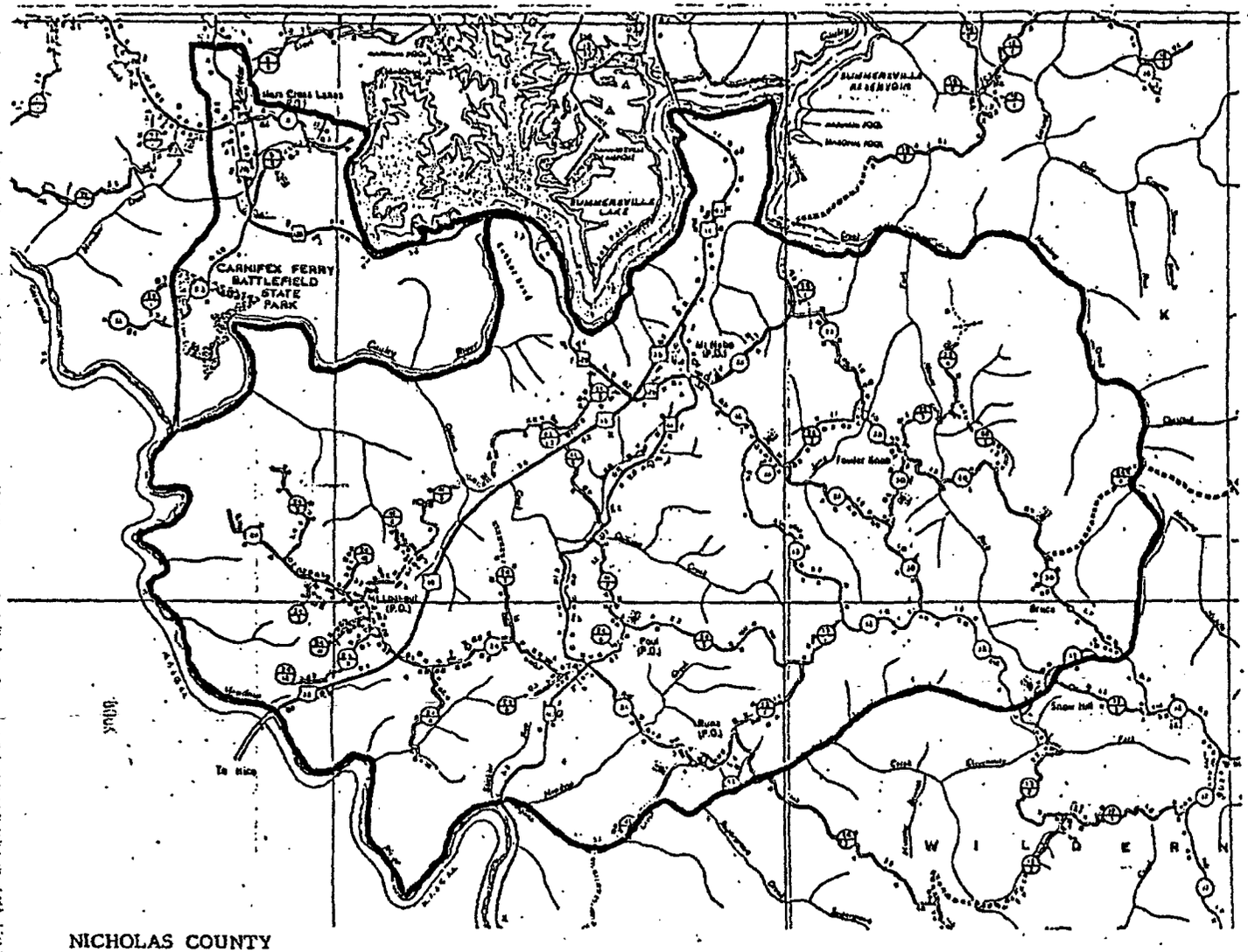
Given under our hands this 31 day of August, 1983.

BOOK 027 PAGE 571

Shirley J. Cutlip, President

Carroll T. Lay, Commissioner

W. Don Hartley, Commissioner



NICHOLAS COUNTY
WILDERNESS PUBLIC SERVICE DISTRICT

I, JOHN GRIDER, Clerk of Nicholas County that this is a true copy from the records.
Teste: JOHN GRIDER, Clerk
Nicholas County Clerk
Date 11/6/01 By [signature]
Clerk

BOOK 527 PAGE 572

STATE OF WEST VIRGINIA
COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

ORDER

WHEREAS, pursuant to a Class I legal notice, and posted notice as required by statute, a public hearing was held in the matter of the proposed boundary change of the Wilderness Public Service District, to include certain areas around W. Va. Route 129 in Nicholas County; and,

WHEREAS, said public hearing was conducted on April 17, 1996, at 9:30 a.m., in the office of the Nicholas County Commission, Nicholas County Courthouse, Summersville, West Virginia, for the express purpose of public comment on the proposed boundary change; and,

WHEREAS, it was noted that present for the hearing was W. D. Amick, Chairman, Wilderness Public Service District and Attorney Julia R. Wise for Timothy R. Ruckman, Counsel for said District, and further that Edward Shutt, Engineer, Stafford Consultants, Inc., and W. D. Smith, Region IV Planning and Development Council, appeared to offer input into this matter.

The Commission then opened the hearing to public comment and it was brought to the Commission's attention that the proposed boundary change should be revised to include an additional three (3) to four (4) houses up to the New York Central Railroad Tracks on the northwestern portion of the boundary change.

At that time, an appropriate motion was made by Commissioner Lloyd Paxton to include the revision to the boundary change and to approve said boundary change and said motion was seconded by Commissioner Birl O'Dell, there being only positive comments from the public and no opposition to the revision by the public, said motion passed unanimously.

THEREFORE, the following revised boundary change was so ORDERED by the Nicholas County Commission:

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with its meanderings thereof and following Fayette and Nicholas County Line to a point where Fayette County Route 41/1 comes down to River Side. Thence up said route across CSX Railroad Tracks and thence leaving said Route 41/1 and paralleling CSX Railroad Tracks at an offset of 500' west of said track centerline to a point in line with Greenbrier, Nicholas County Line. Then in a eastward direction across Route 41, across CSX Railroad Track across Meadow River to said County Line and up said line to, and following first right fork or Miller Creek; thence leaving Miller Creek and crossing Nicholas County Rt. 41/10 and paralleling Rt. 41 offset 1000' east of said road and across 41/9 and continuing at an 500' offset from Rt. 41 to Anglins Creek with its meanderings thereof to the mouth of Dorsey Branch; thence leaving Anglins Creek and up Dorsey Branch with its meanderings thereof to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 13/2; thence with West Virginia County road Number 13 to the intersection of West Virginia County Road Number 13 and West Virginia County Road Number 26; thence leaving said roads and down and with a right-hand fork of Hominy Creek to the mouth of said fork, being a point in the Kentucky and Wilderness District line; thence with said District line and down Hominy Creek with its meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir; thence leaving said creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point 500 feet north of picnic area on west

shore of Battle Run Cove; thence leaving this high water mark continuing due North for 5,000 feet to County Route 9/5 and continuing North of said Road for an additional 1,000 feet thence leaving this point heading due West to 500 feet East of County Route 9, known as Whitewater Road and following Route 9 Northly at a 500 feet offset East of said road for 6,000 feet, thence heading due West crossing Route 9 for 18,000 feet to a point. Thence leaving said point and heading due north for 1500 feet to the center line of the New York Central Railroad. Thence following said Railroad in an easterly direction and crossing Route 129 and for a distance of 1,000 feet past the crossing of Route 129 thence proceeding due south for 16,000 feet to the Nicholas and Fayette County Line in the Gauley River, thence following said County Line up River to the confluence of the Meadow River with the Gauley River and original point of beginning. Containing a new total of 45,100 acres more or less and shown on the attached map to this Order to be made a part of same.

All of which is accordingly so ordered.

ENTER this 18 day of April, 1996.

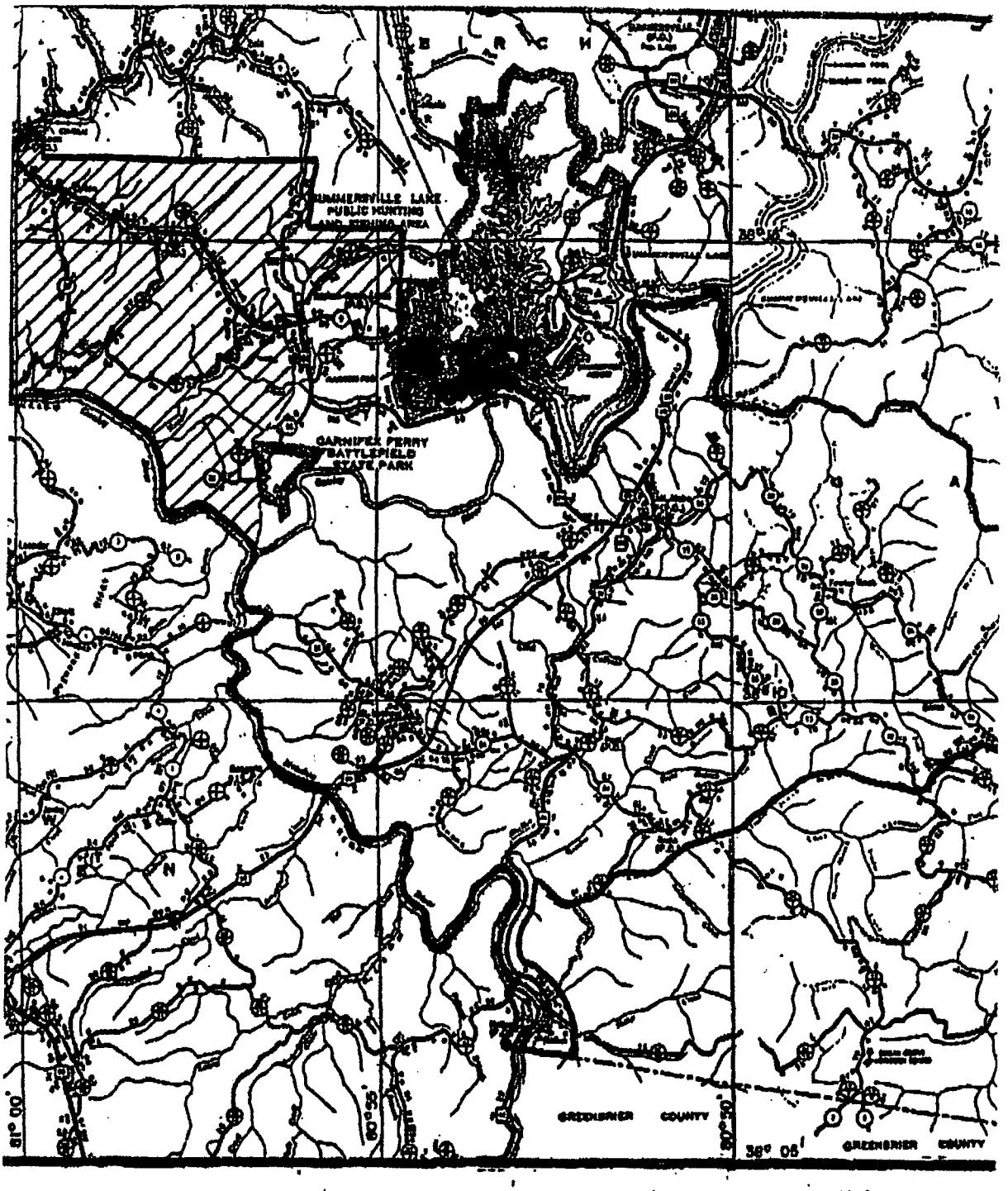
PRESIDENT

COMMISSIONER

COMMISSIONER

APPROVED:

PROSECUTING ATTORNEY



WILDERNESS PUBLIC SERVICE DISTRICT
NICHOLAS AND FAYETTE COUNTIES

MARCH 1996
REVISED APRIL 1996

SCALE 0 1 2 mi

STAFFORD CONSULTANTS, INC.
P.O. Box 5849
Princeton, WV 24740

DENOTES AREA OF EXPANSION

BOOK 0035 PAGE 102

I, JOHN GREER, do hereby certify
that this is a true copy from the records.
Teste: JOHN GREER, Clerk
Nicholas County Clerk
Date 4/26/01 By John Greer
Clerk

RECEIVED
NOV 19 1996

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
11-18-96

Entered: October 29, 1996

CASE NO. 96-0460-PWD-PC

NICHOLAS COUNTY COMMISSION
Petition to enlarge boundaries of
the Wilderness Public Service District.

RECOMMENDED DECISION

On April 22, 1996, the Nicholas County Commission (County Commission) filed a petition to enlarge the boundaries of the Wilderness Public Service District.

By Order dated July 8, 1996, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before November 18, 1996.

In an Initial and Final Joint Staff Memorandum filed June 27, 1996, Ronald E. Robertson, Jr., Esquire, Staff Attorney, to which was attached the Initial and Final Staff Internal Memorandum of Mr. Robert M. Hubbard, Senior Utilities Analyst, Public Service District Division, advised that the petition filed by the Nicholas County Commission is to enlarge the boundaries of the Wilderness Public Service District. According to the petition, the enlargement of the boundaries will be conducive to the preservation of public health, comfort and convenience of said area. The Nicholas County Commission held a public hearing on April 17, 1996, and there was no opposition to the proposed boundary changes and the proposed changes were passed unanimously. Mr. Robertson indicated that the affidavits of publication and public posting were properly attached to the nty Commission's petition and the enlargement of the boundaries of the ness Public Service District will not infringe or encroach on any ility operations. Mr. Robertson indicated that Staff is of the at the County Commission has sufficiently satisfied the s set forth in West Virginia Code §16-13A-2; therefore, it val of the Nicholas County Commission's petition to enlarge he Wilderness Public Service District, as requested.

ber 11, 1996, this matter was set for a hearing to Municipal Building, Upstairs, 400 North Broad Virginia, on October 8, 1996. Said Order ounty Commission publish a Notice of Hearing, a newspaper, duly qualified by the Secretary of neral circulation in Nicholas County.

On September 27, 1996, the affidavit of publication was submitted reflecting that publication of the Notice of Hearing had been made in accordance with the Commission's requirements.

The hearing was held as scheduled. Appearing at the hearing was Mr. Spurgeon Hinkle, President, Nicholas County Commission. Commission Staff was represented by Ronald Robertson, Esquire, Staff Attorney. No one appeared from the public to give protest to the petition of the Nicholas County Commission. Since no one appeared in protest to the petition, no evidence was taken except for Staff Exhibit No. 1, the Initial and Final Joint Staff Memorandum in this case, and the matter was submitted as an unprotested case. (Tr., p. 4).

DISCUSSION

This petition was filed by the Nicholas County Commission seeking approval to enlarge the boundaries of the Wilderness Public Service District. Commission Staff reviewed the Nicholas County Commission's petition and found it to satisfy the requirements of West Virginia Code §16-13-2 and recommended approval of the County Commission's petition.

At the hearing held in this matter on October 8, 1996, in Nicholas County, no one appeared in protest to the petition after proper notice had been given of the date, time and place of the hearing. Since the petition was unprotested, the matter was submitted as an unprotested case and no evidence was taken, except for Staff Exhibit No. 1 which was a copy of the Initial and Final Joint Staff Memorandum of Commission Staff setting forth Staff's recommendation in this case. Since proper publication has been made of the hearing to be held in Nicholas County in accordance with West Virginia Code §16-13A-2 and no one appeared in protest to the petition of the Nicholas County Commission, said petition should be granted.

FINDINGS OF FACT

1. On April 22, 1996, the Nicholas County Commission filed a petition with the Public Service Commission to enlarge the boundaries of the Wilderness Public Service District. (See petition).

2. By Order dated September 11, 1996, this matter was set for a hearing to be held in Summersville, Nicholas County, in accordance with the provisions of West Virginia Code §16-13A-2. Said Order also required that the Nicholas County Commission publish a Notice of Hearing once in a newspaper, published and of general circulation in Nicholas County. (See Order dated September 11, 1996).

3. On September 27, 1996, the Nicholas County Commission filed an affidavit of publication reflecting that proper publication had been made in Nicholas County in accordance with the Commission's requirements. (See affidavit of publication, case file).

CONCLUSION OF LAW

The Administrative Law Judge is of the opinion and finds that, since a public hearing was held in Nicholas County, in accordance with the provisions of West Virginia Code §16-13A-2, on the petition filed by the Nicholas County Commission and since no one appeared at the hearing to make protest to the petition, said petition can be approved as an unprotested case.

ORDER

IT IS, THEREFORE, ORDERED that the April 18, 1996 Order of the Nicholas County Commission, filed on April 22, 1996, enlarging the boundaries of the Wilderness Public Service District, be, and the same hereby is, approved.

The Acting 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 Acting Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Acting Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:mal

ORDER

Whereas, pursuant to a Class I legal notice, and posted notice as required by statute, a public hearing was held in the matter of the proposed boundary change of the Wilderness Public Service District; and,

Whereas, said public hearing was conducted on October 4, 2000 at 10:00 a.m., in the office of the Nicholas County Commission, Nicholas County Courthouse, Summersville, West Virginia, for the express purpose of public comment on the proposed boundary change; and,

Whereas, it was noted that present for the hearing was Wilderness Public Service District Chairman Roger O'Quinn, Engineering Consultant Ed Shutt, Ruby Sears, Harold Ward and Barbara Ward appeared to offer input into this matter.

The Nicholas County Commission then opened the hearing to public comment.

Upon motion moved by President Tom Blankenship and seconded by Commissioner Birl O'Dell, with motion passing unanimously, the Nicholas County Commission determined it necessary, feasible and proper to enlarge the Wilderness Public Service District and that it will be conducive to the preservation of public health, comfort and convenience of said area; and, approved the boundary change, there being only positive comments from the public and no opposition expressed by the public.

THEREFORE, the following revised boundary change was so ORDERED by the Nicholas County Commission:

That the Wilderness Public Service District as described more aptly beginning at a point in the center of Gauley River more or less, at or near the mouth of Meadow River. Said point being a common point between Nicholas County, Fayette County, Grant District and Wilderness District; thence up Meadow River with it's meanderings thereof and following Fayette and Nicholas County line to a point where Fayette County Route 41/1 comes down to river side. Thence *into Fayette County* and up said route across CSX railroad tracks and thence leaving said Route 41/1 and paralleling CSX railroad tracks at an offset of 500' west of said track centerline to a point in line with Greenbrier, Nicholas County Line. Thence in an Easterly direction across West Virginia Route 41across CSX railroad track across Meadow River to said County Line *thus leaving Fayette County, and following said Greenbrier, Nicholas County Line in the Wilderness District of Nicholas County across West Virginia Route 20 and into the Kentucky District of Nicholas County to near Nicholas County Route 44/4. Thus leaving said county line and following said route in a Westerly direction offset at a distance of 500 feet North and proceeding to 500 feet East of West Virginia Route 20, thence following said route in a Northerly direction offset 500 feet East to the corner of the South*

Eastern boundary of the Nettie/Leivasy Public Service District. Thence proceeding on said boundary due West for 1.2 miles; thence heading due North for 3.9 miles then due West for 1.3 miles following the Nettie/Leivasy PSD boundary. Thence leaving said boundary and continuing due West to an unnamed tributary of Hominy Creek. Thence following said tributary to Hominy Creek, being a point in the Kentucky and Wilderness District line and down Hominy Creek with it's meanderings thereof to the high water mark (Elevation 1710) of the Summersville Reservoir. Thence leaving said creek and District line and with said high water mark to a point at or near the center of Summersville Dam, said point being in the Grant and Wilderness District line; thence leaving center of Dam and continuing along high water mark to a point 500 feet north of picnic area on west shore of Battle Run Cove; thence leaving this high water mark continuing due North for 5,000 feet to County Route 9/5 and continuing north of said road for an additional 1,000 feet. Thence leaving this point heading due West to 500 feet East of County Route 9, known as Whitewater Road and following Route 9 Northerly at a 500 feet offset East of said road for 6,000 feet, thence heading due West crossing Route 9 for 18,000 feet to a point. Thence leaving said point and heading due North for 1,500 feet to the centerline of the New York Central Railroad. Thence following said railroad in an Easterly direction and crossing Route 129 for a distance of 1,000 feet past the crossing of Route 129; thence proceeding due South for 16,000 feet to the Nicholas and Fayette County Line in the Gauley River, thence following said County Line up river to the confluence of the Meadow River with the Gauley River and original point of beginning. Containing a new total of *77,185* acres more or less in Nicholas *and Fayette Counties,* West Virginia and shown on the attached map to this Order to be made a part of same.

All of which is accordingly so Ordered.

Enter this 4 day of October, 2000.

NICHOLAS COUNTY COMMISSION:

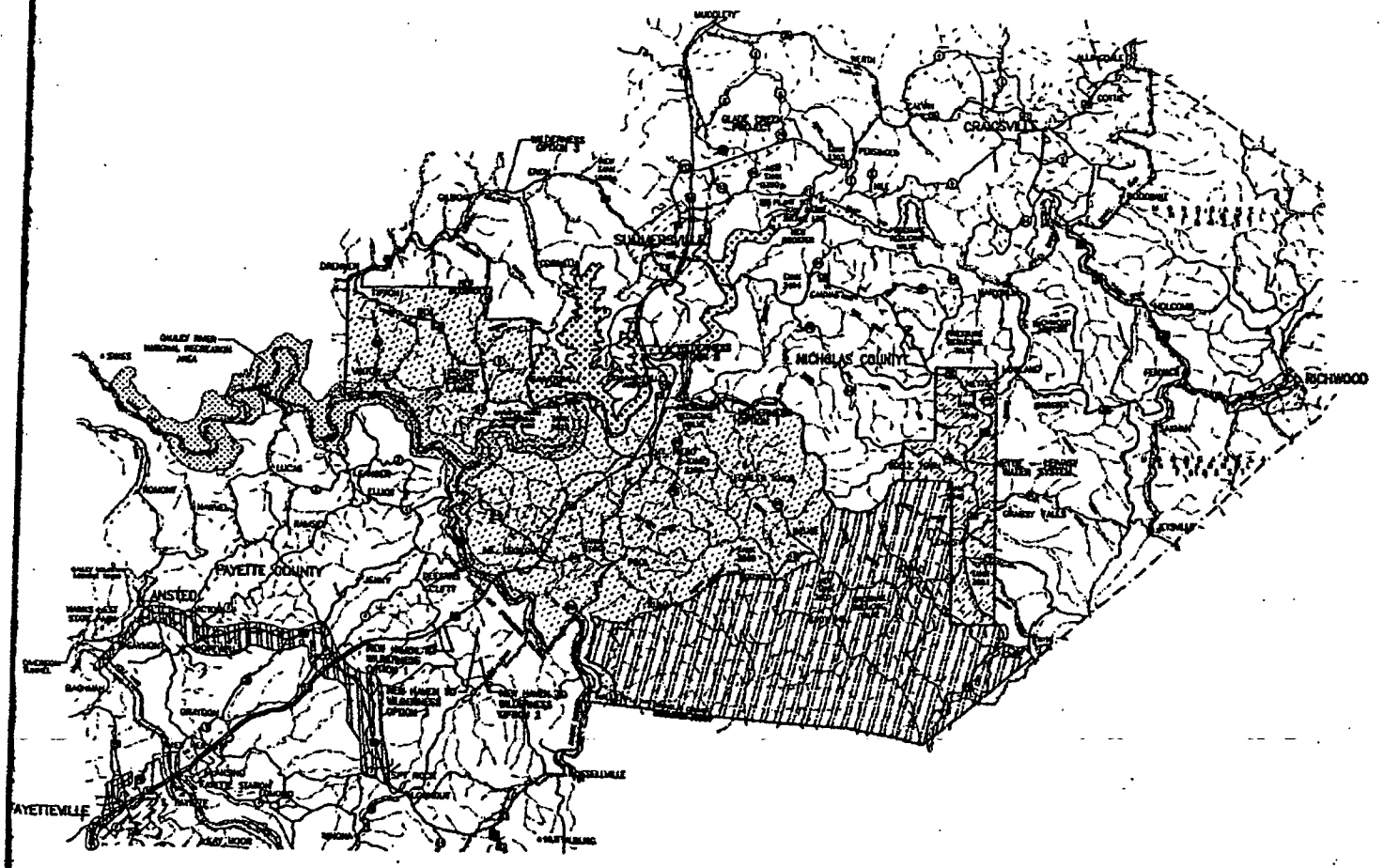
Tom Blankenship, President

Bill O'Dell, Commissioner

Mert Myers, Commissioner

ATTEST:

John Greer, Clerk



PROJECT LOCATION MAP
SCALE: 1" = 1.5 MI.

I, JOHN GREER, do hereby certify that this is a true copy from the records.
Teste: JOHN GREER, Clerk
Nicholas County, Clerk
Date 7/8/11 By _____ Clerk

NO.	REVISIONS	DATE	BY	NO.	REVISIONS	DATE	BY

STAFFORD CONSULTANTS INCORPORATED
ENGINEERING DESIGN AND CONSULTING
PRINCETON, WEST VIRGINIA

WILDERNESS PUBLIC SERVICE DISTRICT
REGIONAL WATER SUPPLY INTERCONNECTION
NICHOLAS COUNTY, WEST VIRGINIA

PROPOSED BOUNDARY EXPANSION

DRAWN	CHECKED	APPROVED	DATE	SCALE
RHL/RAF	CDJ	DJS	5-03	1" = 1.5 MI.

001500alj030101.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: March 1, 2001

FINAL
03-21-01

CASE NO. 00-1500-PWD-PC

NICHOLAS COUNTY COMMISSION
Petition for consent and approval of the expansion of the boundary of Wilderness Public Service District

RECOMMENDED DECISION

On October 6, 2000, the Nicholas County Commission filed a petition for Public Service Commission approval of a Nicholas County Commission Order entered on October 4, 2000, to enlarge the boundary of the service area of Wilderness Public Service District, pursuant to West Virginia Code §16-13A-2. The County Commission's petition addresses only water service.

On November 20, 2000, Staff Attorney Cecelia G. Jarrell filed the Initial and Final Joint Staff Memorandum to which was attached the Initial and Final Internal Memorandum prepared by Mr. Randy Lengyel, Utilities Analyst II, Water and Wastewater Division, and Mr. David W. Holley, Technical Analyst, and Chris Farrish, Engineering Technician, Engineering Division. Staff recommended that the Nicholas County Commission's petition should be scheduled for hearing as required under West Virginia Code §16-13A-2.

On November 21, 2000, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before May 3, 2001.

By Order dated January 18, 2001, this matter was set for a hearing to be held in the Summersville Municipal Building, Teen Center, Summersville, West Virginia, on February 15, 2001. The Order required that the Nicholas County Commission give notice of the hearing to be held in this matter on February 15, 2001, by publishing a Notice of Hearing, once, in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Nicholas County.

The hearing was held as scheduled. Mr. Birl O'Dell, Nicholas County Commissioner, appeared on behalf of the Nicholas County Commission. Commission Staff was represented by Staff Attorney Cecelia Jarrell. No one appeared to give protest to the petition of the Nicholas County Commission.

An affidavit of publication was presented at the hearing indicating that publication had been made in accordance with the Commission's requirements on February 1, 2001.

Staff Attorney Jarrell indicated that the Initial and Final Joint Staff Memorandum, previously filed in this case, sets forth the Staff's position regarding this matter.

Since no one appeared in protest to the petition of the Nicholas County Commission, the matter was submitted for a decision.

FINDINGS OF FACT

1. On October 6, 2000, the Nicholas County Commission filed a petition for Commission approval of an October 4, 2000 Order of the Nicholas County Commission to enlarge the boundary of the service area for the Wilderness Public Service District, pursuant to West Virginia Code §16-13A-2. The County Commission's petition addresses only water service. (See, Petition filed October 6, 2000).

2. On November 20, 2000, Staff Attorney Cecelia Jarrell filed the Initial and Final Joint Staff Memorandum recommending that a hearing be scheduled in this matter in accordance with the provisions of West Virginia Code §16-13A-2. (See, Initial and Final Joint Staff Memorandum filed November 20, 2000).

3. By Order dated January 18, 2001, this matter was set for a hearing to be held in the Summersville Municipal Building, Teen Center, Summersville, West Virginia, on February 15, 2001. The Order provided that the Nicholas County Commission publish a Notice of Hearing, once, in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Nicholas County. (See, Order dated January 18, 2001).

4. The hearing was held as scheduled on February 15, 2001. A proper affidavit of publication was submitted by the Nicholas County Commission indicating that the Notice of Hearing had been published in accordance with the Commission's requirements. No one appeared at the hearing in protest to the petition. (See, Tr., p. 4 & Affidavit of Publication, case file).

CONCLUSION OF LAW

Since the Nicholas County Commission had given notice of the hearing to be held in this matter on February 15, 2001, in accordance with the Commission's requirements and no one appeared in protest to the petition, it is reasonable to approve the petition of the Nicholas County Commission filed on October 6, 2000, for Commission approval of an October 4, 2000 Nicholas County Commission Order to enlarge the boundary

Public Service Commission

of the service area of the Wilderness Public Service District, pursuant to West Virginia Code §16-13A-2.

ORDER

IT IS, THEREFORE, ORDERED that the petition of the Nicholas County Commission, filed on October 6, 2000, for Commission approval of an October 4, 2000 Order of the Nicholas County Commission to enlarge the boundary of the service area of the service area of Wilderness Public Service District, be, and the same hereby is, approved.

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

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

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:jas
001500aa.wpd

Public Service Commission
of West Virginia
Charleston

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

ORDER

WHEREAS, the County Commission of Nicholas County, West Virginia, did heretofore, by an Order entered and adopted, create the Wilderness Public Service District; and,

WHEREAS, under the provisions of Article 13A of Chapter 16 of the Code of West Virginia, the powers of said public service district shall be vested in and exercised by a public service board; and,

WHEREAS, since there are no city, incorporated town or other municipal corporation included within said district, it is provided by said Article 13A of Chapter 16 of the Code of West Virginia that this County Commission shall appoint members of said board who shall be persons residing within the district; and,

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Commission of Nicholas County, West Virginia that Roger O'Quinn is a person residing within the boundaries of Wilderness Public Service District and he is hereby reappointed as a member of the Wilderness Public Service District with term of office expiring April 1, 2007.

Entered this 7 day of March, 2001.

Tom Blankenship, President

Bill O'Dell, Commissioner

Mert Myers, Commissioner

BOOK 39PG 317

I, JOHN GREER, do hereby certify that this is a true copy from the records.
Teste: JOHN GREER, Clerk
Nicholas County Clerk
Date 4/26/11 By John Greer
Clerk

BOOK 39PG 418

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

ORDER

WHEREAS, the County Commission of Nicholas County, West Virginia, did heretofore, by an Order entered and adopted, create the Wilderness Public Service District; and,

WHEREAS, under the provisions of Article 13A of Chapter 16 of the Code of West Virginia, the powers of said public service district shall be vested in and exercised by a public service board; and,

WHEREAS, since there are no city, incorporated town or other municipal corporation included within said district, it is provided by said Article 13A of Chapter 16 of the Code of West Virginia that this County Commission shall appoint members of said board who shall be persons residing within the district; and,

WHEREAS, the said County Commission finds that it is proper and desirable to appoint Charles Eary to fill the unexpired term of W. D. Amick with term of office ending April 1, 2003.

NOW, THEREFORE, IT IS HEREBY ORDERED by the County Commission of Nicholas County, West Virginia th

Public Service Dist

District with

Ente

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS, ss:

IN THE COUNTY COMMISSION THEREOF

CORRECTIVE ORDER

WHEREAS, the County Commission of Nicholas County, West Virginia, did heretofore, by an Order entered and adopted, create the Wilderness Public Service District; and,

WHEREAS, under the provisions of Article 13A of Chapter 16 of the Code of West Virginia, the powers of said public service district shall be vested in and exercised by a public service board; and,

WHEREAS, since there are no city, incorporated town or other municipal corporation included within said district, it is provided by said Article 13A of Chapter 16 of the Code of West Virginia that this County Commission shall appoint members of said board who shall be persons residing within the district; and,

WHEREAS, on March 17, 1999 the said County Commission reappointed James McClung by Order entered and recorded in Order Book 38 Page 278; and,

WHEREAS, it has since been discovered that said Order was in error reflecting that James McClung resided within the Craigsv[illegible] District rather than the Wilderness Public Service District.

NOW, THER[illegible]

County, [illegible]

Pu[illegible]

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as ***Board Member to the Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Roger Ozmun
Signature of Affiant

Subscribed and sworn to before me in said County and State this 14 day of March, 2001.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DEBBIE A. GEE
P. O. BOX 555
CRAIGSVILLE, WV 26205
My Commission Expires November 16, 2008

Debbie A. Gee
Notary Public

My Commission Expires: Nov. 16, 2008

I, JOHN GREER, do hereby certify that this is a true copy from the records.
Teste: JOHN GREER, Clerk
Nicholas County Clerk
Date 4/26/01 By John Greer
Clerk

BOOK 8 PG 730

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as ***Board Member to the Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Signature of Affiant

Subscribed and sworn to before me in said County and State this 6TH day of August, 1999.

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF NICHOLAS TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office as ***Board Member to the Wilderness Public Service District*** to the best of my skill and judgment SO HELP ME GOD.

Signature of Affiant

Subscribed
1999.

RULES OF PROCEDURE

WILDERNESS PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: WILDERNESS PUBLIC SERVICE DISTRICT.

Section 2. The principal office of this Public Service District will be located on Route 129, Mt. Nebo, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Wilderness Public Service District, and in the center "seal" as follows:

Section 4: The fiscal year of the District shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II

PURPOSE

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Public Service Board of this District shall be those persons appointed by The County Commission of Nicholas County, West Virginia, or otherwise appointed pursuant to the Act, who shall serve for such terms as may be specified in the order of the County Commission or otherwise.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the third Thursday of each month at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, 2 members shall constitute a quorum. Each member of the Public Service Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise agreed, notice to members of regular meetings shall not be required. Unless otherwise waived, notice of each special meeting of the membership shall be given to all members by the Secretary by fax, telephone, mail or other satisfactory means at least 3 days before

the date fixed for such special meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the date, time, place and agenda of all regularly scheduled meetings of such Public Service Board, and the date, time, place and purpose of all special meetings of such Public Service Board, shall be made available, in advance, to the public and news media (except in the event of an emergency requiring immediate action) as follows:

A. Regular Meetings. A notice shall be posted and maintained by the Secretary of the Public Service Board of the Public Service District at the front door or bulletin board of the Nicholas County Courthouse and at the front door or bulletin board of the place fixed for regular meetings of the Public Service Board of the date, time and place fixed and entered of record by the Public Service Board 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 locations by the Secretary of the Public Service Board not less than 48 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. A notice shall be posted by the Secretary of the Public Service Board at the front door or bulletin board of the Nicholas County Courthouse and at the front door or bulletin board of the place fixed for the regular meetings of the Public Service Board not less than 48 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 cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

ARTICLE V

OFFICERS

Section 1. The officers of the Public Service Board shall be a Chairman, a Secretary and a Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person.

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first meeting held in such year. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and qualified. Any vacancy occurring among the officers shall be filled by the members of the Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. The Chairman shall, together with the Secretary, sign the minutes of all meetings at which he or she shall preside. The Chairman shall attend generally to the executive business of the Board and exercise such powers as may be conferred by the Board, by these Rules of Procedure, or as prescribed by law. The Chairman shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman, sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the minute book, be the custodian of the Common Seal of the District and all deeds and other writings and papers of the Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office or as may be conferred from time to time by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 3. The Treasurer shall be the lawful custodian of all funds of the District and shall disburse funds of the District on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman, Secretary or Treasurer is absent from any meeting, the remaining members of the Board shall select a temporary chairman, secretary or treasurer, as necessary, who shall have all of the powers of the absent officer during such period of absence.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

These Rules of Procedure may be altered, changed, amended, repealed or added to at any regular or special meeting of the Board by a majority vote of the entire Board, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change, alteration, amendment, repeal or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment, repeal or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

These Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the District.

Adopted this 19th day of April, 2001.

Secretary

04/17/01
972000/00001

CH444693.1

The Nicholas Chronicle a division of Nicholas County Publishing Company Inc.

I, Raymond W. Corbin, News Editor of The Nicholas Chronicle, a weekly newspaper published at Summersville in the County of Nicholas, and the State of West Virginia, do certify that the hereto attached Legal Advertisement - Wilderness Public Service District, P.O. Box 37, Mount Nebo, West Virginia 26679; ADVERTISEMENT, public utility proposes to construct a waterline extention project appeared in said newspaper for 2 weeks, on the 1st day of February, 2001; and the 8th day of February, 2001.

Given under my hand this 23rd day of March, 2001.

By Raymond W. Corbin, News Editor.

Fee for publication:

577 words @ $.07 per word, $40.39 for the first publication; 75% of first publication $30.29 for all subsequent publications; for a total cost of $70.68.

The foregoing instrument was acknowledged before me this the 23rd day of March, 2001.

Brenda K. Shafer

Notary Public

My commission expires March 10, 2002.

OFFICIAL NOTARY PUBLIC STATE OF WEST VIRGINIA BRENDA K. SHAFER P.O. BOX 43 MT. NEBO, WV 26679-0043 My Commission Expires March 10, 2002

Nicholas Chronicle a divis

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NOTICE

PLEASE TAKE NOTICE that the Wilderness Public Service District, a public utility proposes to construct a waterline extension project to provide the Old Nicholas Road, Bruce and Hominy Falls areas and surrounding communities with a potable water supply. The District plans to extend an 8" waterline from the existing tank on Old Nicholas Road to a 125,000 gallon storage tank. The project will consist of approximately 55,500 linear feet of 8" 50,300 linear feet of 6" and 22,100 linear feet of 2" water lines booster stations, pressure reducing stations, telemetry and all appurtenances to serve 224 potential customers.

This Wilderness Public Service District will make formal applications to the Public Service Commission of West Virginia for a Certificate of Convenience and Necessity regarding said project on or after March 4, 2001.

The total estimated costs of the entire project is anticipated not to exceed $4,500,000.00, and the Wilderness Public Service District intends to borrow an amount of money not to exceed $1,400,000.00; said money being financed through the United States Department of Agriculture Rural Development. Also, the Wilderness Public Service District has been awarded a grant from the RUS for $947,000.00, a grant from the Appalachian Regional Commission for $1,240,200.00 and a HUD small cities block grant of $949,212.00. The Wilderness Public Service District estimates that the interest rate on this loan will not exceed Five percent (5%) for a borrowing period not to exceed forty (40) years.

The proposed project will provide a safe and reliable potable water source to the residents and business in the Old Nicholas Road, Bruce and Hominy Falls areas. Acquisition of numerous rights of way from the public as well as from the State of West Virginia may be necessary for the installation of water lines and the construction of the water storage tank.

The total cost of the proposed project is estimated to be $4,336,412.00. The completed facilities will be owned, operated and maintained by the Wilderness Public Service District.

The Wilderness Public Service District proposes the following water service rates to be enacted two years from date of loan closing:

First 3,000 gallons used per month	$7.67 per 1,000 gallons
Next 3,000 gallons used per month	$7.08 per 1,000 gallons
Next 4,000 gallons used per month	$6.45 per 1,000 gallons
Next 15,000 gallons used per month	$5.68 per 1,000 gallons
Next 75,000 gallons used per month	$4.65 per 1,000 gallons
All over 100,000 gallons	$2.95 per 1,000 gallons

Anyone wishing to object to the proposed project may sign a petition in the Office of the Clerk of the County Commission of Nicholas County, Summersville, West Virginia, or may contact the Public Service Commission of West Virginia at its office located at 201 Brooks Street, Charleston, West Virginia.

This Notice is prepared pursuant to West Virginia Code 16-13A-25.

Submitted by Roger O'Quinn, Chairman
Wilderness Public Service District

2/1, 2/8 2t

Given under my hand this 23rd day of March,

By Raymond W. Corbin, News Editor.

for publication:

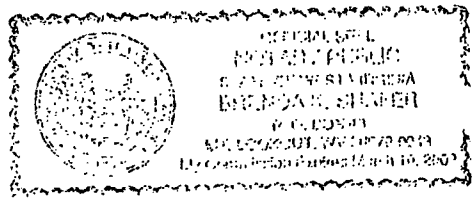
words @ $.07 per word, $40.39 for the first
ication; 75% of first publication $30.29 for all
equent publications; for a total cost of $70.68.

foregoing instrument was acknowledged before me
the 23rd day of March, 2001.

Brenda K. Shafer

Notary Public

ommission expires March 10, 2002.



MINUTES OF BOARD OF DIRECTORS MEETING
WILDERNESS PUBLIC SERVICE DISTRICT
January 18, 2001

The Board of Directors for the Wilderness Public Service District met for their regular monthly meeting on Thursday, January 18, 2001, at 8:00 a.m. The meeting was held at the Wilderness PSD office on Rt. 129 in Mt. Nebo, Nicholas County. Those in attendance were Jim McClung, Roger O'Quinn, Greg Eary and Debbie Gee. The meeting was called to order by Roger O'Quinn, Chairman.

The minutes from the previous meeting were approved on a motion made by Jim McClung and seconded by Greg Eary with all in favor.

Election of Officers – On a motion made by Greg Eary, all current officers were reappointed as follows: Roger O'Quinn as Chairman, James McClung as Treasurer, Debbie Gee as Secretary and Rosalea Rogers as Assistant Secretary. The motion was seconded by James McClung, with all in favor.

Old Nicholas Road/Hominy Extension - Ed Shutt of Stafford Consultants, Inc. attended the meeting. Invoices were submitted for approval. On a motion made by Jim and seconded by Greg, the invoice for The Nicholas Chronicle in the amount of $84.00 was approved for reimbursement to Wilderness PSD and the invoices from Stafford Consultants, Inc. in the amount of $3,765.98 were approved. All funding has been approved. The "Letter of Conditions" has been forwarded from RUS in Morgantown to Rosemary Christian at RUS in Beckley. A special meeting will be arranged for next week to meet with Rosemary to receive and review the "Letter of Conditions". Ed requested average hours of plant operation for each season for the period from January 2000 to December 2000

Disbursements – The December disbursements in the amount of $51,153.39 were approved on a motion made by Jim and seconded by Greg with all in favor.

Reports – The Board reviewed the balance sheet, profit & loss statement, over-time report and water loss report for December 2000.

There being no further business, the meeting adjourned. The next meeting is scheduled for 8:00 a.m., February 15, 2001 at the Wilderness PSD office in Mt. Nebo.

Roger O'Quinn, Chairman

RO/dg

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds,
Series 2001 A (United States Department of Agriculture)

MINUTES ON ADOPTION OF BOND RESOLUTION AND
SUPPLEMENTAL RESOLUTION

The undersigned SECRETARY of the Public Service Board of Wilderness Public Service District hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Public Service Board:

*** *** ***

The Public Service Board of Wilderness Public Service District met in special session, pursuant to notice duly posted, on the 6th day of August, 2001, in Mt. Nebo, West Virginia, at the hour of 12:00 p.m.

PRESENT:	Roger O'Quinn	-	Chairman
	James L. McClung	-	Treasurer
	Debbie A. Gee	-	Secretary
	Charles L. Eary	-	Member
ABSENT:	None.		

Roger O'Quinn, Chairman, presided, and Debbie A Gee, acted as Secretary. The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC SERVICE PROPERTIES CONSISTING OF ADDITIONS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING WATERWORKS SYSTEM OF WILDERNESS PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2001 A (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT

and caused the same to be read and there was discussion. Thereupon, upon motion duly made and seconded, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Chairman presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING FOR TRANSFER OF RESERVE ACCOUNTS FOR SERIES 1979 BONDS, SERIES 1992 BONDS AND SERIES 1997 BONDS AND AMENDMENT OF PRIOR RESOLUTIONS TO EFFECT SUCH TRANSFER

and caused the same to be read and there was discussion. Thereupon, upon motion duly made and seconded, 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.

Chairman

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of Wilderness Public Service District 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 6th day of August, 2001.

Debbie A. Gee
Secretary

08/03/01
972000/00001

CH465973.1

The Nicholas Chronicle a division of Nicholas County Publishing Company Inc.

I, Raymond W. Corbin, News Editor of The Nicholas Chronicle, a weekly newspaper published at Summersville in the County of Nicholas, and the State of West Virginia, do certify that the hereto attached Legal Advertisement - Steptoe & Johnson, Attorneys at Law, P.O. Box 2190, Clarksburg, WV 26302; NOTICE OF PUBLIC MEETING OF THE PUBLIC SERVICE BOARD OF WILDERNESS PUBLIC SERVICE DISTRICT TO ADOPT BOND RESOLUTION

appeared in said newspaper for 1 week, on the 26th day of July, 2001.

Given under my hand this 27th day of July, 2001,

By Raymond W. Corbin, News Editor.

Fee for publication:

417 words @ $.07 per word, for a total cost of $29.19.

The foregoing instrument was acknowledged before me this the 27th day of July, 2001.

Brenda K. Shafer

Notary Public

My commission expires March 10, 2002.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
BRENDA K. SHAFER
P. O. BOX 43
MT. LOCKOUT, WV 26676-0043
My Commission Expires March 10, 2002

NOTICE OF PUBLIC MEETING OF THE PUBLIC SERVICE BOARD OF WILDERNESS PUBLIC SERVICE DISTRICT TO ADOPT BOND RESOLUTION

A Special meeting of the Public Service Board of Wilderness Public Service District (the "PSD") will be held to consider for adoption the following-entitled Resolution, and to take such other action as necessary in relation thereto, on Monday, August 6, 2001, at 12:00 p.m., prevailing time, at the District's office located on Route 129, Mt. Nebo, Nicholas County, West Virginia, and at such meeting the Board shall consider and adopt such Resolution entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC SERVICE PROPERTIES CONSISTING OF ADDITIONS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING WATERWORKS SYSTEM OF WILDERNESS PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $1,200,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2001 A (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS.

The above-quoted title of the Resolution describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The proceeds of the Bonds will be used to provide permanent financing of the costs of acquiring and constructing certain additions, improvements and extensions to the existing waterworks facilities of the District 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 Waterworks system of the PSD.

At the meeting the Board intends to adopt the Resolution and take such other actions as may be necessary in furtherance of the Project and the financing contemplated by the Resolution. Such meeting is open to the public.

Dated: July 20, 2001
/s/ Debbie Gee
Secretary

7/25 1t

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: August 8, 2001

ISSUE: Wilderness Public Service District, Water Revenue Bonds, Series 2001 A (United States Department of Agriculture)

ADDRESS: P. O. Box 37, Mt. Nebo, WV 26679 COUNTY: Nicholas

PURPOSE OF ISSUE: New Money: X
Refunding: _____ REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: August 8, 2001 CLOSING DATE: August 8 , 2001

ISSUE AMOUNT: $1,200,000 RATE: 4.875%

1ST DEBT SERVICE DUE: N/A 1ST PRINCIPAL DUE: N/A

1ST DEBT SERVICE AMOUNT: $5,796 PAYING AGENT: Issuer

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esquire
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: _____
Contact Person: _____
Phone: _____

CLOSING BANK: _____
Contact Person: _____
Phone: _____

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Mr. Roger O'Quinn
Position: Chairman
Phone: (304) 872-1598

OTHER: United States Department of Agriculture
Contact Person: Rosemary Christian
Function: Rural Development Specialist
Phone: (304) 252-8644

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: Monthly debt service payments will be made by the District directly to the National Finance Office. The Municipal Bond Commission will only hold the Series 2001 A Bonds Reserve Account. The first payment into the Series 2001 A Bonds Reserve Account is due August 8, 2003.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

CH439333.1

20A

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: August 8, 2001

ISSUE: Wilderness Public Service District Sewer Revenue Bonds, Series 1997 (United States Department of Agriculture)

ADDRESS: P. O. Box 37, Mt. Nebo, West Virginia 26679 COUNTY: Nicholas

PURPOSE OF ISSUE: New Money: X
Refunding: _____ REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: September 18, 1997 CLOSING DATE: September 18, 1997

ISSUE AMOUNT: $750,000 RATE: N/A

1ST DEBT SERVICE DUE: N/A 1ST PRINCIPAL DUE: N/A

1ST DEBT SERVICE AMOUNT: N/A PAYING AGENT: Issuer

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esquire
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: _____
Contact Person: _____
Phone: _____

CLOSING BANK: _____
Contact Person: _____
Phone: _____

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Mr. Roger O'Quinn
Position: Chairman
Phone: (304) 872-1598

OTHER: United States Department of Agriculture
Contact Person: Rose Mary Christian
Function: Rural Development Specialist
Phone: (304)252-8644

DEPOSITS TO MBC AT CLOSE:
By: ____ Wire
X Check

____ Accrued Interest: $_____
____ Capitalized Interest: $_____
X 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: Monthly debt service payments will be made by the District directly to the National Finance Office. The Municipal Bond Commission will only hold the Series 1997 Bonds Reserve Account.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

CH455264.1

20B

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: August 8, 2001

ISSUE: Wilderness Public Service District Sewer Revenue Bonds, Series 1992 (United States Department of Agriculture)

ADDRESS: P. O. Box 37, Mt. Nebo, West Virginia 26679 COUNTY: Nicholas

PURPOSE OF ISSUE: New Money: X
Refunding: ____ REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: July 15, 1992 CLOSING DATE: July 15, 1992

ISSUE AMOUNT: $350,000 RATE: N/A

1ST DEBT SERVICE DUE: N/A 1ST PRINCIPAL DUE: N/A

1ST DEBT SERVICE AMOUNT: N/A PAYING AGENT: Issuer

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esquire
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: ____
Contact Person: ____
Phone: ____

CLOSING BANK: ____
Contact Person: ____
Phone: ____

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Mr. Roger O'Quinn
Position: Chairman
Phone: (304) 872-1598

OTHER: United States Department of Agriculture
Contact Person: Rose Mary Christian
Function: Rural Development Specialist
Phone: (304)252-8644

DEPOSITS TO MBC AT CLOSE:
By: ____ Wire
X Check

____ Accrued Interest: $____
____ Capitalized Interest: $____
X 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: Monthly debt service payments will be made by the District directly to the National Finance Office. The Municipal Bond Commission will only hold the Series 1992 Bonds Reserve Account.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: ____
TRANSFERS REQUIRED: ____

CH455262.1

20C

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:

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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.

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If you should have any questions concerning this form, please call the Commission.

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301
21
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: August 8, 2001

ISSUE: Wilderness Public Service District Sewer Revenue Bonds, Series 1979 (United States Department of Agriculture)

ADDRESS: P. O. Box 37, Mt. Nebo, West Virginia 26679 COUNTY: Nicholas

PURPOSE OF ISSUE: New Money: X
Refunding: _____ REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: December 7, 1979 CLOSING DATE: December 7, 1979

ISSUE AMOUNT: $740,000 RATE: N/A

1ST DEBT SERVICE DUE: N/A 1ST PRINCIPAL DUE: N/A

1ST DEBT SERVICE AMOUNT: N/A PAYING AGENT: Issuer

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esquire
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: _____
Contact Person: _____
Phone: _____

CLOSING BANK: _____
Contact Person: _____
Phone: _____

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Mr. Roger O'Quinn
Position: Chairman
Phone: (304) 872-1598

OTHER: United States Department of Agriculture
Contact Person: Rosemary Christian
Function: Rural Development Specialist
Phone: (304)252-8644

DEPOSITS TO MBC AT CLOSE:
By: ____ Wire
X Check

____ Accrued Interest: $_____
____ Capitalized Interest: $_____
X 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: Monthly debt service payments will be made by the District directly to the National Finance Office. The Municipal Bond Commission will only hold the Series 1979 Bonds Reserve Account.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

CH455258.1

20D

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:

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If you should have any questions concerning this form, please call the Commission.

USDA

United States
Department of
Agriculture

Rural Development

Bond Counsel

Federal Building, Room 320
75 High Street
Morgantown, WV 26505
Telephone: (304) 284-4888
Fax: (304) 284-4892
TTY/TDD: (304) 284-4836

Roger O'Quinn, Chairman
Wilderness Public Service District
P.O. Box 37
Mt. Nebo, WV 26679

January 25, 2001

Dear Mr. O'Quinn:

This letter, with Attachments 1 through 14 and enclosures, establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan and grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by USDA, Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

The docket may be completed on the basis of an RUS loan in the amount of $1,200,000, an RUS grant in the amount of $947,000, and other funding in the amount of $2,189,412, for a total project cost of $4,336,412. The other funding is planned in the form of a $1,240,200 grant from the Appalachian Regional Commission and a $949,212 grant from the HUD Small Cities Block Grant program.

The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you. The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing.

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. The enclosures and attachments listed below are attached to the copies as noted. Enclosed are the following:

Attachment No. 1 - Project Construction Budget (All Copies)
Attachment No. 2 - Water and Waste Processing Checklist for Wilderness PSD (All Copies)
Attachment No. 3 - RUS Instruction 1780, Subparts A and B (Applicant Copy)
Attachment No. 4 - RUS Instruction 1780, Subpart C (Engineer Copy)

Rural Development is an Equal Opportunity Lender. Complaints of discrimination should be sent to: Secretary of Agriculture, Washington, DC 20250.

PRINTED WITH SOY INK

Attachment No. 5 - RUS Instruction 1780, Subpart D (Attorney and Bond Counsel Copies)
Attachment No. 6 - Agreement (RUS Bulletin 1780-13) (Engineer Copy)
Attachment No. 7 - Supplemental General Conditions (RUS Bulletin 1780-14) (Engineer Copy)
Attachment No. 8 - Government Auditing Standards (Revision 1994) (Accountant Copy)
Attachment No. 9 - RUS Bulletin 1780-30, "Water Programs Audit Guide and Compliance Supplement "
Attachment No. 10 – RUS Bulletin 1780-31, "Water Programs Compliance Supplement for OMB Circular A-133 Audits"
Attachment No. 11 – Wilderness PSD Water Users Agreement (Applicant and Attorney Copies)
Attachment No. 12 - Declination Statement (Applicant and Attorney Copies)
Attachment No. 13 - Labor Standards Provisions
Attachment No. 14 - Various other RD Forms as identified on Attachment No. 2

Your documents concerning the creation of your authority are administratively acceptable; however, they will be further reviewed by our Office of the General Counsel at the time your file is forwarded for closing instructions. Any changes required by our Office of the General Counsel will be included in the closing instructions.

The conditions referred to above are as follows:

1. Loan Repayment - The loan will be scheduled for repayment over a period of 40 years. The payments due the first 24 months will consist of interest only. Payments for the remaining 456 months will be equal amortized monthly installments. For planning purposes use a 5.0% interest rate and a monthly amortization factor of 0.00491, which provides for a monthly payment of $5,892.00. You have the option of participating in the PREAUTHORIZED DEBIT (PAD) payment process. It will allow for your payment to be electronically debited from your account on the day your payment is due. Your authority must establish and fund monthly a debt service reserve account and a depreciation reserve account, which together equal 10% of the annual debt service each year for the life of the loan. Five percent (5%) will be deposited into both accounts until an annual debt payment has been accumulated. Thereafter, the entire 10% will be deposited into the depreciation reserve account.

   You are reminded that your authority may be required to refinance (graduate) the unpaid balance of its RUS loan, in whole or in part, upon the request of RUS if at any time it shall be determined the authority is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time.

2. Security - The loan must be secured by a statutory lien on parity with the PSD's existing bonds, a pledge of the system's revenues and other agreements between you and RUS as set forth in the bond resolution which must be properly adopted and executed by the appropriate officials of your organization. Additional security requirements are contained in RUS Bulletin 1780-12 and RUS Bulletin 1780-27 which are mentioned later.

3. Users - This conditional commitment is based upon you providing evidence that you will have at least 1,727 bona fide users on the proposed system when it has been completed and is placed in operation. This evidence will consist of 194 signed user agreements and a certification from you that identifies and attests to the number of users actually connected to and using the PSD's existing water system, which is to be partially replaced by the new system, at the time you request authorization to advertise the proposed project for construction bids.

   The enclosed Water Users Agreement will be used. Each user signing an agreement must make a user contribution of $100.00. Each potential user who is located along planned lines and declines the offered service will be provided an opportunity to sign a "Service Declination Statement." A guide "Service Declination Statement" is attached for your use. If a potential user refuses to sign either a user agreement or a declination statement, the individual making the contact for the PSD should complete the declination statement for that potential user and note thereon his/her visit with the potential user, the potential user's refusal to sign, and the reason therefore. The declination statement should also be dated and signed by the individual making the contact.

   Before RUS can agree to the project being advertised for construction bids, you must provide evidence that the total required number of bona fide users has been acquired and that all potential users have been offered the proposed service. Information and material evidencing compliance with this requirement must consist of (1) your certification (written) as to the number of users connected to and using the water service of the existing system (paying monthly bills), (2) signed user agreements, (3) signed service declination statements, (4) records evidencing user contributions having been paid, (5) a map locating each potential user's property in the new service area identifying it by number, (6) a list of all signed bona fide users numbered so as to be a cross-reference with the map, and (7) a list of all declination statements numbered so as to be a cross-reference with the map.

4. Bond Counsel - The services of a recognized bond counsel are required. The bond counsel will prepare the form of resolution to be used, in accordance with Subpart D of RUS Instruction 1780. You should immediately provide your bond counsel with a copy of this letter of conditions, its attachments and enclosures.

5. Engineering Services - It will be necessary for you to obtain the services of an engineer. Form RD 1942-19, "Agreement for Engineering Services," or EJCDC No. 1910-1, "Standard Form of Agreement between Owner and Engineer for Professional Services" may be used to obtain the services of an engineer. For your convenience, a copy of Form RD 1942-19 is attached hereto. The EJCDC document is issued under copyright and cannot be provided by RUS.

6. Legal Services - You must obtain the services of a local attorney. For your convenience RUS Bulletin 1780-7, "Legal Services Agreement" is enclosed for your use.

7. Accounting Services - You must obtain the services of a qualified accountant. The accountant must agree to develop and provide the following:

   a. All necessary accounting material required by the Public Service Commission of West Virginia (Rule 42 Exhibit).

   b. Prior to the advertisement of bids, your accountant must certify that the accounts and records as required by your bond resolution have been established and are operational.

   The Accountant's Agreement should be submitted to RUS for review. Compensation in the contract should include only those services identified above and not include payment for construction management services from the accountant unless RUS concurrence is obtained.

   RUS regulations (Attachment No. 3) outline requirements for the submission of management reports and audits. Appropriate state statutes place certain audit requirements on the PSD. The attached booklets, "Government Auditing Standards (Revised 1994)" (Attachment No. 8) and RUS Bulletins 1780-30 and 1780-31 (Attachment Nos. 9 and 10) outline audit requirements. You are reminded that certain provisions of the Office of Management and Budget Circular A-133 are applicable to any public body or nonprofit association that expends $300,000 or more in federal funds in any one fiscal year. You must enter into an agreement annually with an accountant (or the State Tax Department) to perform the audit. The agreement must be in accordance with the requirements of the State Tax Commissioner of West Virginia. Compensation for preparation of the A-133 audit or your annual audit is not included in project funds and should be paid from the operational revenues generated from your system operation.

8. Facility Control - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Such evidence must be in the following form:

a. A right-of-way map showing clearly the location of all lands and rights needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.

b. A copy of deeds, contracts or options for any lands needed other than rights-of-way, along with a preliminary title opinion covering such lands. Form RD 1927-9, "Preliminary Title Opinion" may be used. In the case of your existing system or where the PSD already acquired real property (land or facilities), a preliminary title opinion(s) concerning all such property(s) will be provided.

c. A narrative opinion from your attorney concerning all permits, certifications and other items necessary to show that all legal requirements can be met and stating how they will be met. This narrative should also identify any condemnation proceedings that are anticipated and state how they will be handled.

d. A certification and legal opinion relative to title to rights-of-way and easements. Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way," may be used. This form may contain a few exceptions such as properties that must be condemned; however, prior to the start of construction or loan closing, whichever occurs first, a new Form RD 442-22, must be provided which does not provide for any exceptions.

e. On the day of loan closing, the PSD's attorney must furnish final title opinions on all land(s) being acquired. Form RD 1927-10, "Final Title Opinion" may be used. In the case of your existing system or where the PSD has already acquired real property(s) (land or facilities), the PSD's attorney will provide a separate final title opinion(s) covering such property(s) on the day of loan closing.

9. Permits - Copies of all permits needed for the project must be provided for review prior to advertisement for construction bids. Such permits will include but are not limited to the following:

- West Virginia Department of Highways
- Railroads
- State Department of Health
- Public Land Corporation

10. Public Service Commission Approvals - You must obtain the following from the Public Service Commission of West Virginia:

    a. A Certificate of Convenience and Necessity.

    b. Approval of user charges that are acceptable to you and the Rural Utilities Service.

    c. Approval of financing for the project's proposed financing arrangements.

    The "Rule 42" Exhibit to be attached to the Public Service Commission application must contain at least the information shown in Attachment No. 1. A copy of the Public Service Commission application and its "Rule 42" Exhibit must be provided for review.

11. Insurance and Bonding Requirements - Prior to preliminary loan closing, you must acquire the following insurance and bond coverage:

    a. Liability Insurance - Personal Liability - $500,000; Property Damage - $200,000 - $200,000. The limits of liability coverage noted herein should be considered as suggested amounts only. RUS recommends that you consider analyzing your actual needs in detail before you obtain coverage in a specific amount.

    b. Workers' Compensation - In accordance with appropriate State laws.

    c. Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. As a good business practice you will probably wish to have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to RUS will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s).

    d. National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition and/or construction in designated special flood or mudslide prone areas:

        (1) If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.

        (2) Applicants whose buildings, machinery or equipment are to be located in a community which has been notified as having special flood or

mudslide prone areas will not receive financial assistance where flood insurance is not available.

e. Real Property Insurance - Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein. This does not apply to water reservoirs, standpipes, elevated tanks or noncombustible materials used in treatment plants, clearwells, filters and the like.

12. Contract Documents, Final Plans and Specifications -

a. The contract documents should consist of the following:

(1) "Agreement" (RUS Bulletin 1780-13) and Attachments 1 through 9, or other agreement approved by RUS. One copy of this item is attached hereto (Attachment No. 6).

(2) "Supplemental General Conditions" (RUS Bulletin 1780-14). One copy of this item is attached hereto (Attachment No. 7). Additional copies must be reproduced by the engineer.

(3) "Labor Standards Provisions" - Title 29, Subtitle A, Part 5, Section 5.5, Contract Provisions and Related Matters. One copy of this item is attached hereto (Attachment No. 13). Additional copies must be reproduced by the engineer.

b. The contract documents must provide, as a minimum, the following insurance:

(1) Liability Insurance - Personal Liability - $500,000; Property Damage - $200,000 - $200,000. This coverage must include indemnification of the PSD and its engineer. RUS Bulletin 1780-13, Attachment 9, suggests certain limits of liability for insurance coverage. Those limits should be considered as minimum requirements only. It is recommended you consider increasing the given limits of liability after analyzing your specific needs.

(2) Builder's Risk Insurance - On all structures and mechanical and electrical equipment in place or stored on the site to the full insurable value thereof.

(3) Workers' Compensation - In accordance with applicable State laws.

c. The contract documents and final plans and specifications must be submitted to RUS for approval.

d. The project must be designed in compliance with Section 504 of the Rehabilitation Act of 1973.

13. Interim Financing - Interim financing will be used for the RUS loan if it is available at reasonable rates and terms. You must provide RUS with a copy of the tentative agreement reached in connection with interim financing. A copy of the proposed agreement should be provided for RUS review.

14. Disbursement of Funds - The RUS funds will be advanced as they are needed in the amount(s) necessary to cover the RUS proportionate share of any disbursements required of the PSD, over 30 day periods. Any funds not disbursed immediately upon receipt must be deposited in an interest bearing account in accordance with OMB Circular A-133. Interest earned on these funds must be remitted promptly, at least quarterly, to the Rural Utilities Service. The PSD must assure that all project funds are expended only for the eligible items included in the final project budget or as may be later approved by RUS.

15. Other Grants - Prior to advertisement for construction bids, you must provide evidence showing the approval of the other grants. This evidence should include a copy of the grant award. Prior to award of the contract(s) to the contractor(s), you must provide evidence that the "other" grant funds are available for expenditure. This evidence should consist of at least a letter from the grantor stating the funds are available for expenditure.

16. At a properly called meeting, you must adopt and properly execute the following forms, and minutes showing the adoption must be provided:

    Form RD 442-7 - "Operating Budget"
    Form RD 1940-1 - "Request for Obligation of Funds"
    RUS Bulletin 1780-12 - "Water or Waste System Grant Agreement"
    RUS Bulletin 1780-27 - "Loan Resolution (Public Bodies)"
    Form RD 400-1 - "Equal Opportunity Agreement"
    Form RD 400-4 - "Assurance Agreement"
    Form AD 1047 - "Certification Regarding Debarment - Primary"
    Form AD 1049 - "Certification Regarding Drug-Free Workplace"
    Form RD 1910-11 - "Applicant Certification, Federal Collection Policies"
    FmHA Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans"
    Standard Form LLL - "Disclosure of Lobbying Activities" (If Applicable)

17. The enclosed Water and Waste Processing Checklist (Attachment No. 2) outlines the items needed to complete the loan and grant docket. All the items listed must be included in the loan and grant docket when it is forwarded to the USDA - Rural Development State Office with a request for loan closing instructions to be issued.

18. Upon receipt of the loan and grant docket, which contains all the items required above, RUS may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide RUS with (a) a bid tabulation, (b) recommendations from you and your engineer as to the acceptability of the bids received, and (c) your recommendations for contract awards. If all parties then agree the construction bids received are acceptable, it is determined that adequate funds are available to cover the total facility costs, and that all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met before the loan can be closed.

    When all parties agree that the closing requirements can be met, a mutually acceptable date for the loan closing will be scheduled.

Attached is a copy of RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

Any applicant contribution shall be considered as the first funds expended. After providing for all authorized costs, any remaining RUS project funds will be considered to be RUS grant funds and refunded to RUS. If the amount of unused RUS project funds exceeds the RUS grant, that part would be RUS loan funds.

In accordance with the intent of Congress as expressed in the FY 1998 Appropriations Act, recipients of water and waste assistance provided by the Rural Utilities Service are encouraged, in expending the assistance, to purchase only American-made equipment and products.

Please complete and return the enclosed Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire further consideration be given your application.

If the conditions set forth in this letter are not met within six (6) months from the date hereof, RUS reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within the six-month period and it is determined the authority still wishes to proceed, it will be necessary that the proposed budget be reviewed again in detail. If during that review, it is determined the budget is no longer current and/or adequate, RUS reserves the right to require that it be revised or replaced.

We believe the information herein clearly sets forth the actions which must be taken; however, if you have any questions, please do not hesitate to contact me.

Sincerely yours,

BOBBY LEWIS
State Director

Enclosures

cc: Rural Development Specialist
Beckley, WV

Stan Adkins, Certified Public Accountant
Summersville, WV

Gregory A. Tucker, Attorney at Law
Summersville, WV

Bond Counsel

Stafford Consultants
Princeton, WV

Attachment No. 1 to Letter of Conditions
For: Wilderness Public Service District
Date: January 25, 2001

Project Construction Budget

Project Cost	SCB Grant	ARC Grant	RUS Grant	RUS Loan	Total
Construction	$ 726,312	$1,240,200	$ 710,158	$ 798,600	$ 3,475,270
Construction Contg.			107,800	121,200	229,000
Land and Rights	15,000				15,000
Legal Fees	10,000				10,000
Accounting	2,500				2,500
Administration (SCBG)	20,000				20,000
Bond Counsel			5,600	6,400	12,000
Engineering Fees	175,400		93,800	105,500	374,700
Basic - $228,700					
Inspection - $129,000					
Special Services:					
Soils - $5,000					
Easement Maps - $2,500					
Property Survey - $3,000					
Record Drawings - $2,500					
Archaeological - $4,000					
Interim Financing				15,000	15,000
Equipment			2,400	2,600	5,000
Interest				120,000	120,000
Project Contg.			27,242	30,700	57,942
Total	$ 949,212	$1,240,200	$ 947,000	$1,200,000	$ 4,336,412

Delayed Payment Penalty

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

If any bill is not paid within sixty (60) days after date, water service to the customer will be discontinued. Water service will not be restored until all past due water bills have been paid in full and all accrued penalties plus a reconnection charge have been paid.

Connection Charge

Prior to Construction - $100.00

After the start of construction, there shall be a charge of $250.00 for connection to the system.

Reconnection Charge

$20.00

USE ANALYSIS 1

USE & INCOME ANALYSIS
INCLUDING OLD NICHOLAS RD. EXTENSION
WILDERNESS PUBLIC SERVICE DISTRICT

Blocking	Cust.	Gal/ Mo.	Minimum Bills	First 3,000	Next 3,000	Next 4,000	Next 15,000	Next 75,000	Over 100,000	TOTAL REVENUE
0 - 3,000	626	866	626							
3,001 - 6,000	746	2611		2238	853					
6,001 - 10,000	208	1544		624	624	296				
10,001 - 25,000	39	512		117	117	156	122			
25,001 - 100,000	17	765		51	51	68	255	340		
> 100,000	1	128		3	3	4	15	75	28	
Monthly Total	1637	6426	626	3033	1648	524	392	415	28	
Existing Rates			$ 22.59	$ 7.53	$ 6.94	$ 6.32	$ 5.57	$ 4.56	$ 2.89	
Monthly Revenues			$ 14,141.34	$ 22,838.49	$ 11,437.12	$ 3,311.68	$ 2,183.44	$ 1,892.40	$ 80.92	$ 55,885.39
Annual Revenues			$ 169,696.08	$274,061.88	$137,245.44	$39,740.16	$26,201.28	$22,708.80	$ 971.04	$ 670,624.68

This Use and Income Analysis includes all residential, commercial and government users presented in the Rule 42 Exhibit for the year ending 6/30/2000. For planning purposes, 194 signed users are included in the Old Nicholas Rd. extension, each based upon a monthly water usage of 3,500 gallons. Analysis includes going level adjustments and proforma data for first full year of operation. Projected revenues reflect a 3% increase over existing user rates.

Budget

Income		
Operating Income	$670,624.00	
Other Income	26,500.00	
Total (A)		$697,124.00
Expenses		
O & M (B)	$465,410	
*Debt Service	195,540	
**Debt Service Reserve	14,090	
***Depreciation Reserve	3,535	
Taxes (B)	17,949	
Total		$696,524.00
Balance and Depreciation		$ 600.00

Operating and Maintenance Expenses

Source of Supply	$ 1,500
Pumping Expense	122,581
Water Treatment	59,827
Transmission and Distribution	131,366
Customer Accounts	53,017
Administrative/General	97,119
Total	$465,410
*Existing Debt Service -	$124,836
Proposed Debt Service -	70,704
Total Debt Service -	$195,540
** Existing Debt Service Reserve	$ 10,555
Proposed Debt Service Reserve	3,535
Total Debt Service Reserve	$ 14,090
*** Existing Depreciation Reserve	$ -
Proposed Depreciation Reserve	3,535
Total Depreciation Reserve	$ 3, 535

Debt Coverage - A/B 1.09

Attachment No. 2 to Letter of Conditions
For: Wilderness Public Service District
Date: January 25, 2001

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE
Water and Waste Processing Checklist

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
SF 424.2	Application for Federal Assistance	3	1780.31(b)	App.		Have	3
	Public Notice of Intent to File App. / Environ. Notice	1	1780.19(a) 1940-G	App.		HAVE	3
	Regional Planning & Development Council Review	2	1780.33(b)	App.		Have	3
	State Clearing-house Review or IJDC Review	2	1780.33(b)	App.		Have	3
Bulletins 1780-2 1780-3	Preliminary Engineering Report	2	1780.33(c)	Eng.		Have	6
	Bond Ordn. or Resol. on Outstanding Debts	1	1780.33(e)	App./Atty.		Have	2
	Bonds or Notes Outstanding Debts	1	1780.33(e)	App./Atty.		Have	2

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
	Audit for last year of operation	1	1780.33(e)	App./Acct.		Have	1
AD 1049	Certification Regarding Drug-Free Workplace	1	1780.33(h)	App.		HAVE	5
	Minutes Adopting Drug-Free Workplace Program	1	LOC	App.		Have	5
Bulletin 1780-22	Applicant Eligibility Certification/ Other Credit Certification	1	1780.33(d)	App.		HAVE	3
Exhibit A / A-1	Certifications Regarding Lobbying	2	1780.33(h)	App.		HAVE	2
	Environmental Report	2	1794	App.		HAVE	3
	Environmental Assessment	2	1794	RUS		HAVE	3
	Site Visit		S.I. 1780-2	RUS			3
	Statement from Historical Preservation Office	2	Exhibit H 1940-G	App.		Have	3
	Comments from Dept. of Commerce, Labor & Environ. Resources (DNR)	2	Exhibit H 1940-G	App.		Have	3

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
	Comments from U.S. Fish and Wildlife Service (Endangered Species)	2	Exhibit H 1940-G	App.		Have	3
	Comments from U.S. Forest Service (Wild & Scenic Rivers)	2	Exhibit H 1940-G	App.		Have	3
	Farmland Conversion Impact Rating	1	Exhibit H 1940-G	RUS/ NRCS		Have	3
	FEMA Standard Flood Hazard Determination	2	1940-G	RUS/Eng.		Have	3
Form RD 2006-38	Civil Rights Impact Analysis Certification	2	1940-G	RUS/Eng.		HAVE	3
	FONSI / Evidence of Publication	1	Exhibit 1 RD 1940-G News Ad	RUS/App.		Have	3
	Copy of Existing Rate Tariff	2	1780.33	App.		Have	8
	Applicant's IRS Tax Number (TIN)	1	1780.33(g)	App.		Have	3
	Agency Determination on the Availability of "Other Credit" with Documentation	1	1780.7(d)	RUS		Have	3
	Agency Determination on Procurement	1	1780.70(d)	RUS			6
	Review for Outstanding Judgment	1	1780.7(g)	RUS/Atty.			3

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
	Processing Conference	1	1780.39(a)	RUS		HAVE	3
	Staff Engineer PER Review	1	1780.33(c)	RUS		HAVE	6
	Staff Review Financial Statements	1	S.I. 1780.2	RUS		Have	1
	Bill Analysis for existing system(s)	2	1780.33(c)	App./Eng.		Have	8
	Projected Bill Analysis for New Users	2	1780.33(c)	App./Eng.		Have	8
	Statement reporting the total number of potential users		1780.33(c)	App./Eng.		Have	8
RD 1942-19 or other approved	Agreement between Owner & Engineer	3	1780.39(b)	App./Eng.		HAVE	6
Bulletin 1780-7 or other approved	Legal Services Agreement with Local Attorney	3	1780.39 (b)(2)	App./Atty.		have	5
	Legal Services Agreement with Bond Counsel	1	1780.39 (b)(3)	App./ Bond Counsel			5
	Agreement for Accounting Services	1	1780.39 (b)(2)	App./Acct.		have	5
	Documentation on Service Area	1	1780.11	RUS		HAVE	3

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
	Relationships/ Associations with Agency Employees	1	1780.1(f)			HAVE	3
Auto. Form	Grant Determination	3	1780.35(b)	RUS		Have	
RD 1942-45	Project Summary	3	1780.41(a)	RUS		Have	1
RD 442-7	Operating Budget	3	1780.33(h)	App.		HAVE	3
RD 1942-14	Project Fund Analysis	3	1780.41(a)	RUS		Have	2
Bulletin 1780-1	Project Selection Criteria	2	1780.17	RUS		Have	1
	Letter of Conditions	7	1780.41 (a)(5)	RUS		Have	3
RD 1942-46	Letter of Intent to Meet Conditions	2	1780.41 (a)(6)	App.		HAVE	3
RD 1940-1	Request for Obligation of Funds	4	1780.41(a)	RUS/App.		HAVE	2
Bulletin 1780-12	Association Water or Sewer System Grant Agreement	2	1780.45(c)	RUS/App.		HAVE	2
	Evidence of "Other Funds"	1	1780.44(f)	App.		Have	2
	Water Users Agreement (Copy)	1	1780.39(c)	App.		Have	5

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
AD 1047	Certification Regarding Debarment (Primary)	1	1780.33(h)	App.		HAVE	5
AD 1048	Certification Regarding Debarment (Contractor)	1 ea.	1780.33(h)	All Appropriate Vendors		HAVE	5
RD 1910-11	Applicant Certification, Federal Collection Policies	1	1780.33(h)	App.		HAVE	3
	Evidence of Users:						
	1. Map of Users with each identified by number	1	LOC	App.		Have	Sep. File
	2. List of Signed Users Numbered to Map	1	LOC	App.		Have	5
	3. List of Declination Statements Numbered to Map	1	LOC	App.		Have	5
	4. Evidence of Tap Fees Being Paid	1	LOC	App.		Have	5
	5. Having Users Agreements and Declination Statements Available		LOC	App.		✓	

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
	6. Certification Relative to Existing Users	1	LOC	App.			5
	Positive Program to Encourage Connections when Completed	1	1780.39 (c)(5)	App.			5
	Verification of Users	1	1780.44(b)	RUS			3
	Preliminary Bond Transcript Documents w/o Defeasance Provisions	2	1780.83	Bond Counsel			5
	Right-of-Way Map	1	1780.44(g)	Eng.			Sep. File
	Deeds and/or Options		1780.44(g)	App./Atty.			
RD 1927-9	Preliminary Title Opinion	1	1780.44 (g)(2)	App./Atty.			5
RD 1927-10	Final Title Opinion	1	1780.44 (g)(2)	App./Atty.			5
	Narrative Opinion from Attorney	1	1780.44(g)	Atty.			5
RD 442-22	Opinion of Counsel Relative to R/Ways		1780.44 (g)(1)	Atty.			5
Bulletin 1780-27	Loan Resolution	1	1780.45 (a)(2)	App.		HAVE	5
	Copy of PSC Rule 42 Exhibit	1	State	Atty./Acct.			3

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
Lender Agrmnt/ Bulletin 1780-10/ 1780-10a	Interim Financing Documentation	1	1780.39(d)	App./RUS		Have	1
RD 400-1	Equal Opportunity Agreement	1	1901-E	App.		HAVE	6
RD 400-4	Assurance Agreement	1	1901-E	App.		HAVE	3
	Bond Transcript Documents w/o Defeasance Provisions	3	1780.83	Bond Counsel			Sep. File
	OGC Closing Instructions	1	1780.44(h)	RUS			5
	S/O Closing Instructions	1	1780.44(h)	RUS			5
	DOH Permit	1	1780.15(d)	App.			6
	Corp of Eng. ~~Railroad Permits~~	1	1780.15(d)	App.			6
	Public Land Corp. Permit	1	1780.15(d)	App.			6
	Contract Documents, Plans and Specifications	2		Eng.			Sep. File
	Dept. of Health Approval	1	1780.15(d)	Eng.			6
400-8	Comp. Review	1	1780.44(c)	RUS			5
1924-16	Record of PreConstruction Conference	1	1780.76(a)	RUS/Eng.			6

Form No.	Document or Action	No. Needed	Proced. Ref.	Provided by	Target Date	Date Rec'd	File Pos.
	Bid Tabulation	1	1780.61(b)	Eng.			6
	Resume' of Inspector	1	1780.76(c)	Eng.			6
	Liability Insurance		1780.39(g)	App.			7
	Workers' Compensation Certificate	1	1780.39(g)	App.			7
	Flood Insurance Policy	1	1780.39(g)	App.		N/A	7
440-24	Fidelity Bond	1	1780.39(g)	App.			7
	OGC Final Opinion	1	1780.45(g)	RUS			5

USDA UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL DEVELOPMENT

481 RAGLAND ROAD
BECKLEY, WV 25801
PHONE (304) 252-8644
FAX (304) 252-5809
TTY/TDD (304) 284-4836

July 16, 2001

Roger O'Quinn, Chairman
Wilderness Public Service District
P. O. Box 37
Mount Nebo, WV 26679

Re: Old Nicholas Road/Hominy Falls Water Extension

Dear Mr. O'Quinn:

The pre-closing date for the PSD's water project has been established as August 6, 2001. The pre-closing will begin at 12:00 p.m. at the PSD office followed by the pre-construction conference at 2:00 p.m..

Reference is made to our Letter of Conditions dated January 25, 2001. All of the requirements of that letter must be met.

Many of the aforementioned items have already been addressed. Those remaining items to be satisfied prior to loan closing include:

1. The PSD will need to provide Form FmHA 442-21, "Right of Way Certificate," showing no exceptions. This form should be dated August 8, 2001.

2. The PSD's attorney will need to provide Form FmHA 442-22, "Opinion of Counsel Relative to Rights of Way," showing no exceptions. This form should be dated August 8, 2001.

3. The PSD's attorney must furnish a Form FmHA 1927-10, "Final Title Opinion," on all land(s) being acquired. In addition, the attorney must provide a separate final title opinion(s) covering all existing property owned by the PSD. The opinion(s) should be dated August 8, 2001.

4. The PSD's engineer must provide a resume of the proposed inspector(s).

5. The PSD must provide a letter accepting the proposed inspector(s).

USDA, Rural Development is an Equal Opportunity Lender, Provider and Employer. Complaints of discrimination should be sent to: USDA, Director, of Civil Rights, Washington, D.C. 20250-9410

6. The permit from the West Virginia Department of Highways must be on hand at the closing. The PSD should proceed to obtain necessary bond and forward same to the WVDOH requesting the permit be issued.

7. A certificate from the PSD's accountant that the accounts and records required by the bond resolution and the PSC have been established and are operational. The chart of accounts and record keeping books must be available for review at loan closing.

8. The PSD must provide evidence that it has acquired insurance and bond coverage in accordance with item 11 of the Letter of Conditions.

9. The PSD must furnish evidence that it provides State Workman's Compensation Insurance.

10. Final Public Service Commission Order.

11. Evidence of User Contributions from SCBG funds for the 78 users who were income exempt.

If you have any questions regarding these or any other matters pertaining to your loan, please contact this office.

Sincerely,

Rose Mary Christian
Rural Development Specialist

Enclosures

cc: State Director, Rural Development, Morgantown, WV
Gregory A. Tucker, Attorney at Law, Summersville, WV
John Stump, Steptoe & Johnson, Bond Counsel, Charleston, WV
Stanley Adkins, CPA, Summersville, WV
Edward Shutt, Stafford Consultants, Inc., Princeton, WV

WATER OR WASTE SYSTEM GRANT AGREEMENT

UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL UTILITIES SERVICE

THIS AGREEMENT dated January 25, 2001 between **Wilderness Public Service District**

a public corporation organized and operating under Chapter 16, Article 13A, West Virginia Code
(Authorizing Statute)

herein called "Grantee," and the United States of America acting through the Rural Utilities Service, Department of Agriculture, herein called "Grantor," WITNESSETH:

WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) (sewer) system to serve the area under jurisdiction at an estimated cost of **$ 4,336,412.00** and has duly authorized the undertaking of such project.

Grantee is able to finance not more than **$ 3,389,412.00** of the development cost through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge.

Said sum of **$ 3,389,412.00** has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed **$ 947,000.00** or **45%** percent of said development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of the grant.

As a condition of this grant agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated into this agreement by reference, and such other statutory provisions as are specifically set forth herein.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306 (a) of the Consolidated Farm and Rural Development Act the purpose only of defraying a part not to exceed **21.8%** percent of the development costs, as defined by applicable Rural Utilities Service Instructions.

GRANTEE AGREES THAT GRANTEE WILL:

A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.

B. Permit periodic inspection of the construction by a representative of Grantor during construction.

C. Manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.

D. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges, whether for one or more classes of service, adopted by resolution dated _____, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

E. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

F. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

G. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, another agreement of the same type need not be executed in connection with this grant.

I. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated herein above with the interest at the rate of 5 percentum per annum from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

J. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

K. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency. When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.
[Revision 1, 04/17/1998]

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

This Grant Agreement covers the following described real property **(use continuation sheets as necessary).**
The water system improvement consists of approximately 124,650 Lf. of various sized PVC water line, one booster pump station, one pressure reducing station, one 100,000 gallon elevated water storage tank and various system appurtenances located in the Old Nicholas Rd. area of Nicholas County, WV

L. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with grant funds. Equipment means tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. A Grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.
[Revision 1, 04/17/1998]

1. Use of equipment.

(a) The Grantee shall use the equipment in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other Federally sponsored activities, if any, in the following order of priority:

(1) Activities sponsored by the Grantor.

(2) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the equipment was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other Federally sponsored projects.

2. Disposition of equipment. When the Grantee no longer needs the equipment as provided in paragraph (a) above, the equipment may be used for other activities in accordance with the following standards:

(a) Equipment with a current per unit fair market value of less than $5,000. The Grantee may use the equipment for other activities without reimbursement to the Federal Government or sell the equipment and retain the proceeds.

(b) Equipment with a current per unit fair market value of $5,000 or more. The Grantee may retain the equipment for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value or proceeds from sale of the equipment. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee requests and the following procedures shall govern:

(1) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share ten percent of the proceeds, for Grantee's selling and handling expenses.

(2) If the Grantee is instructed to ship the equipment elsewhere the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.

(3) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall also include:

(a) Records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the project for which the equipment was acquired; location, use and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need need for the equipment.

(c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated an fully documented.

(d) Adequate maintenance procedures shall be implementedto keep the equipment in good condition.

(e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return.

This Grant Agreement covers the following described equipment (use continuation sheets as necessary).
None

M. Provide Financial Management Systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.

2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.

4. Accounting records supported by source documentation.

N. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

O. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.

P. Provide an audit report prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

Q. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or instrumentality's of states shall not be held accountable for interest earned on grant funds pending their disbursement.

R. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in item K above.

S. To include in all contracts for construction or repair a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

T. To include in all contracts in excess of $100,000 a provision that the contractor agrees to comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees: **[Revision 1, 11/20/1997]**

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award. **[Revision 1, 11/20/97]**

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term "facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plant, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed **$ 947,000.00** which it will advance to Grantee to meet not to exceed **21.8%** percent of the project development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph I above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

In witness whereof Grantee on the date first above written has caused these presence to be executed by its duly authorized

_____

and attested and its corporate seal affixed by its duly authorized

_____

Attest:

_____

By Roger O'Quinn
ROGER O'QUINN,
(Title) Chairman

By Dubbie E. Gee
(Title) Secretary

UNITED STATES OF AMERICA

RURAL UTILITIES SERVICE

By Rosemary Christian 8-8-01 Rural Development Specialist
ROSE MARY CHRISTIAN (Title)

RUS BULLETIN 1780-27
(Automated 8-97)

FORM APPROVED
OMB. No. 0575-0015

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE Board of Directors

OF THE Wilderness Public Service District

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS Water System Improvement

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Wilderness Public Service District (Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

ONE MILLION TWO HUNDRED THOUSAND AND XX / 100

pursuant to the provisions of Chapter 16, Article 13A, West Virginia Code ; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of $10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0015), Washington, DC 20503.

11. To acquire and maintain such in ce and fidelity bond coverage as may be required by overnment.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities, and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed $ $ 947,000.00

under the terms offered by the Government; that the Chairman

and Secretary of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas 3 Nays 0 Absent 0

IN WITNESS WHEREOF, the Board of Directors of the

Wilderness Public Service District has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this 25 day of Jan 2001

Wilderness Public Service District

(SEAL)

By Roger O'Quinn

Roger O'Quinn, Chairman

Title

Attest:

Debbie A. Gee

DEBBIE A. GEE

Title Secretary

I, the undersigned, as Secretary of the **Wilderness Public Service District**

hereby certify that the **Board of Directors** of such Association is composed of

3 members, of whom 2 constituting a quorum, were present at a meeting thereof duly called and

held on the 25th day of January, 2001 ; and that the foregoing resolution was adopted at such meeting

by the vote shown above, I further certify that as of August 8, 2001 ,
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this 8th day of August, 2001

Debbie L. Gee

Title Secretary

WEST VIRGINIA

Bob Wise, Governor *A Vision Shared*

WEST VIRGINIA DEVELOPMENT OFFICE
www.wvdo.org

1900 Kanawha Boulevard, East
Charleston, WV 25305-0311
304-558-2234

February 22, 2001

Mr. Roger O'Quinn
Commissioner
Wilderness Public Service District
Post Office Box 37
Mt. Nebo, West Virginia 26679

Dear Mr. O'Quinn:

Congratulations on the approval of a $1,240,200 Appalachian Regional Commission (ARC) grant for a total project cost of $4,336,412 to the Wilderness Public Service District Water Extension project. A copy of the approval letter and official ARC project description are enclosed. Please keep this information with your project files.

Should there be a need for any changes in the scope of the project or project funding, a request should be made to the West Virginia Development Office.

Please be aware that ARC funds are considered to be the last source of funding committed to a project. Should there be a cost underrun, the funds not used are considered Appalachian Regional Commission funds and would be returned to the Commission.

If you should have any questions, please feel free to contact me at 304-558-2001.

Sincerely,

Thomas J. Saunders

Thomas J. Saunders
ARC Representative

TJS:ca

Enclosure

cc: Region IV PDC
Dianne Goff Crysler, USDA-RD
Tracey Rowan, WVDO

RECEIVED
FEB 16 2001

February 14, 2001

Honorable Robert E. Wise, Jr.
Governor of West Virginia
State Capitol, Building 1
Charleston, West Virginia 25305

Re: Wilderness Public Service District
Water Extension (WV-13608-I-214)

Dear Governor Wise:

Enclosed is a copy of the Appalachian Regional Commission's approval of a grant for the referenced project dated February 12, 2001.

Appalachian Regional Commission funds in the amount of $1,240,200 have been made available to the Administrator, Rural Utilities Service, U.S. Department of Agriculture.

A copy of the approval is enclosed.

Sincerely yours,

THOMAS M. HUNTER
Executive Director

Enclosure

cc: State Alternate
Ralph Goolsby
Henry King
Files

APPALACHIAN REGIONAL COMMISSION *A Proud Past, A New Vision*

REV (8-98)

Notice to Obligate

To: Wally B. Beyer
Rural Utilities Service
U.S. Department of Agriculture
South Building, Room 5014
14th & Independence Avenue, SW
Washington, DC 20250
Attn: Robin Pulkkinen STOP Code 1570

cc: Mary Vance
Financial Accounting Branch - St. Louis
Rural Development
FC-361
POB 200011
St. Louis, MO 63120-0011

Pursuant to the Appalachian Regional Development Act of 1965, as amended, the Appalachian Regional Commission has approved the referenced project under appropriation 46X0200. Rural Development has agreed to obligate and administer the grant under the Memorandum of Agreement between ARC and USDA.

ARC Project Number: WV-13608-I-214

Project Title: Wilderness Public Service District Water Extension

Grantee: Wilderness Public Service District

Approved Funding:

ARC Section 214	$ 1,240,200	29.00%
RD Grant	947,000	22.00%
RD Loan	1,200,000	28.00%
Other Federal	-	0.00%
State	949,212	22.00%
Local	-	0.00%
Total Project Cost	$ 4,336,412	100.00%

Authorized USDA Administrative Charge: na

Approved:

Jesse L. White, Jr.
Federal Co-Chairman

FEB 12 2001
Date

APPALACHIAN REGIONAL COMMISSION *A Proud Past, A New Vision*

To: Federal Co-Chairman

Subject: Wilderness Public Service District Water Extension, WV-13608-I-214

Grantee: Wilderness Public Service District

County: Nicholas (Distressed) **Basic Agency:** Rural Development

Goal: Funding is requested under ARC Goal 2, Physical Infrastructure, Objective 2.

Purpose: To extend public water to 224 potential customers within the Wilderness PSD.

Funding:

ARC: (DC)	$ 1,240,200	28%
Federal: (RUS grant)	947,000	22
State: (SCBG)	949,212	22
Local: (RUS loan)	1,200,000	28
Total:	$ 4,336,412	100%

Description: The Wilderness Public Service District (PSD) is an established public utility which supplies potable water to approximately 1,387 residential and commercial customers. The PSD is requesting ARC assistance to provide treated water service to 224 new customers in the Old Nicholas Road/Hominy Falls area of Nicholas County. This project will require construction of a booster station, two pressure reducing stations and a 110,000-gallon elevated storage tank. Also included will be 22,300 linear feet of 8-inch piping, 92,050 linear feet of 6-inch piping and 3,800 linear feet of 2-inch piping.

Rationale:

- The residents of the Old Nicholas Road/Hominy Falls area currently depend upon private wells , springs and cisterns for domestic service. The wells in general produce poor quality, mineral laden water that must be treated before consumption. In addition, many of the wells and springs are poor producers of water and are, therefore, undependable, requiring the residents of the area to depend on bottled water.
- Despite effort by the Nicholas County to attract industry, very little economic growth has taken place in the past decade. Unemployment has been high with an unemployment rate of over 15 percent during the past decade.
- This project will provide a stable, treated water supply for the existing rural residents and provide a southern connection with Nettie-Leivasy PSD. A variety of commercial and private enterprises within the area will also benefit. With the provision of potable water, future business and residential expansion within the area is projected, creating a larger population base and additional employment.

1666 CONNECTICUT AVENUE, NW WASHINGTON, DC 20235 (202) 884-7799 FAX (202) 884-7691

Benefits:.

- There will be an additional 224 households in the Old Nicholas Road/Hominy Falls area served by the water line extension which were previously served by a wells, springs or cisterns.
- Improvements to the distribution system include: 23,300 linear feet of 8-inch pipe; 92,050 linear feet of 6-inch pipe; and 3,800 linear feet of 2-inch pipe.
- With the provision of potable water, future economic business and residential growth is projected.

This project is consistent with the ARC Act and Code and is recommended for funding.

Recommended:

THOMAS M. HUNTER
Executive Director

Form RD 1940-1
(Automated 8-97)

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED
Complete Items 1 through 30 and applicable Items 31 through 43. See FMI.

1. CASE NUMBER ST: 57 CO: 034 BORROWER ID: 0550577641	LOAN NUMBER 2001	FISCAL YEAR JAN 29 AM 10: 32
2. BORROWER NAME WILDERNESS PUBLIC SERVICE DISTRICT	3. NUMBER NAME FIELDS 2 (1, 2, or 3 from Item 2)	
	4. STATE NAME	
	5. COUNTY NAME	

GENERAL BORROWER/LOAN INFORMATION

6. RACE/ETHNIC CLASSIFICATION	7. TYPE OF APPLICANT	8. COLLATERAL CODE	9. EMPLOYEE RELATIONSHIP CODE
1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARM WORKERS 7 - OTHER 4	1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONL 5 - LIVESTOCK ONL 6 - CROPS ONLY 7 - SECURED BY BONDS 7	1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.

10. SEX CODE	11. MARITAL STATUS	12. VETERAN CODE	13. CREDIT REPORT
1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN. FEMALE OWNED 6 - PUBLIC BODY 6	1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	1 - YES 2 - NO	1 - YES 2 - NO 2

14. DIRECT PAYMENT	15. TYPE OF PAYMENT	16. FEE INSPECTION	17. INTEREST CREDIT
3 (See FMI)	1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY 1	1 - YES 2 - NO 2	1 - YES (FRO SFH ONLY) 2 - NO

18. COMMUNITY SIZE	19. DWELLING TYPE/USE OF FUNDS CODE
1 - 10,000 OR LESS 2 - OVER 10,000 (FOR SFH AND HPG ONLY)	(See FMI)

COMPLETE FOR OBLIGATION OF FUNDS

20. TYPE OF ASSISTANCE	21. PURPOSE CODE	22. SOURCE OF FUNDS	23. TYPE OF ACTION
067 (See FMI)		2	1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION 1

24. TYPE OF SUBMISSION	25. AMOUNT OF LOAN	26. AMOUNT OF GRANT
1 - INITIAL 2 - SUBSEQUENT 2	$ 1,200,000.00	$ 947,000.00

27. AMOUNT OF IMMEDIATE ADVANCE	28. DATE OF APPROVAL	29. INTEREST RATE	30. REPAYMENT TERMS
	MO DA YR 01-31-01	5.0000%	40

COMPLETE FOR SINGLE FAMILY HOUSING ONLY

31. INCOME CATEGORY CODES	32. LOW INCOME LIMIT-MAX.	33. ADJUSTED FAMILY INCOME
1 - VERY LOW 2 - LOW 3 - MODERATE 4 - ABOVE MODERATE		

34. R.E.INSURANCE	35. R.E.TAXES 1st year	36. R.E. TAXES 2nd year	37. NOTE INSTALLMENT INELIGIBLE

38. TYPE OF UNIT
1 - FARM TRACT
2 - NON-FARM TRACT

COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS

39. PROFIT TYPE
1 - FULL PROFIT
2 - LIMITED PROFIT
3 - NONPROFIT

COMPLETE FOR EM LOANS ONLY	COMPLETE FOR CREDIT SALE-ASSUMPTION
40. DISASTER DESIGNATION NUMBER (See FMI)	41. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUB LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN
FINANCE OFFICE USE ONLY	**COMPLETE FOR FP LOANS ONLY**
42. OBLIGATION DATE MO -- DA -- YR	43. BEGINNING FARMER/RANCHER (See FMI)

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Plea e the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender Copy 3 - State Office

STATE OF WEST VIRGINIA
OFFICE OF THE GOVERNOR
CHARLESTON 25305

CECIL H. UNDERWOOD
GOVERNOR

November 8, 1999

The Honorable Tom Blankenship
President
Nicholas County Commission
700 B Main Street, Suite 1
Summersville, West Virginia 26651

Dear Commissioner Blankenship:

Thank you for your application to the Small Cities Block Grant Program for fiscal year 1999.

Your request has been approved in the amount of $1,410,000. These funds will enable you to extend water service in the Gauley River PSD and Wilderness PSD areas.

In order to effectively use the limited dollars available, I hereby commit $550,000 from our fiscal year 1999 allocation that will immediately be available to you. The remaining $860,000 necessary to complete this project will be evaluated and committed in the coming year. I encourage you to expedite this project and reach its completion as quickly as possible with this funding strategy in mind.

The West Virginia Development Office, Community Development Division staff, will contact you to complete the necessary contracts in order to proceed with your project.

The West Virginia Development Office reserves the right to withdraw these funds if your project does not proceed on schedule. These funds would be replaced with a letter of intent for consideration from future allocations.

I am pleased to assist with these improvements for Nicholas County.

Very sincerely,

Cecil H. Underwood

CHU:jbs

STATE OF WEST VIRGINIA

SMALL CITIES BLOCK GRANT AWARD

THIS IS TO CERTIFY THAT A GRANT OF $1,410,000 HAS BEEN AWARDED TO THE *NICHOLAS COUNTY COMMISSION* TO EXTEND WATER SERVICE IN THE GAULEY RIVER PSD AND WILDERNESS PSD AREAS

CECIL H. UNDERWOOD
GOVERNOR

© GOES 445

LITHO. IN U.S.A.

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is effective as of this 20 day of September, 2000, between the WILDERNESS PUBLIC SERVICE DISTRICT (the "District") and THE COUNTY COMMISSION OF NICHOLAS COUNTY, WEST VIRGINIA (the "County Commission").

The District is a public service district and political subdivision created pursuant to W. Va. Code §16-13A-1, et seq., that operates a water system ("System") in, among other places, certain unincorporated areas of Nicholas County. The District desires to extend its System to serve additional customers in the Old Nicholas Road/Hominy Falls area (the "Project"), all as more fully described in its applications to the Small Cities Block Grant Program.

W. Va. Code §7-1-3 authorizes the County Commission to make grants from general revenue or other funds to public service districts for water projects. The County Commission has received a Small Cities Block Grant for the Project through a commitment by the State of West Virginia (the "State") in a letter dated January 7, 2000 (the "Grant").

The District and the County Commission enter into this Agreement to set forth the operative terms of the acquisition and construction of the Project, and agree:

1. In all phases of the Grant, the District shall be responsible for all engineering and construction of the Project, including obtaining all permits, consents, and approvals.

2. All financial records and payments on the Project will be made and maintained by the Nicholas County Commission, with copies of all such information to be maintained by Region 4 Planning and Development Council (the "Project Administrator"), under the terms of the Letter of Understanding dated May 3, 2000. All invoices (except administrative invoices) will be approved by the District and the County Commission, following verification by the County Commission for compliance with all contracts and local governmental regulations. Because the administrative services are provided by the Project Administrator to the County Commission, such invoices need only be approved by the County Commission. All Project payments related to the Grant shall be made following the execution of a County Commission order. Project payments related to the Grant shall be made by the County Commission upon its receipt of the corresponding share of the Grant. All financial records shall be available for audit and inspection at any time during the construction of the Project. Following final inspection and acceptance of the Project by the District and the County Commission, Project funds shall be encompassed in the County Commission's annual audit. All Project files and such audit shall be maintained for at least three years by the County Commission for public inspection or review. The District shall provide their annual audit that includes their construction account to the County Commission.

3. All easements, right-of-ways, and property will be obtained in the name of the District. All Grant provisions and all required permits, authorizations, and approvals shall become a part of this Agreement and are incorporated herein by reference.

4. The Project shall be funded in part with the Small Cities Block Grant in the amount of $949,212.00. The District will secure any additional necessary loans or other funding prior to construction of the Project.

5. The District will furnish water from its System to all residents of the District where financially feasible.

6. The District shall execute legal, accounting, and other necessary professional service agreements for the Project, all of which shall also be approved by the County Commission. The award and operation of any contract, whether professional or construction, will follow appropriate public notice in compliance with all Federal, State and local regulation. Non-compliance will be grounds for immediate cancellation of any contract or service. Project employment will be subject to the selection made by the successful bidders on this Project, provided compliance conditions are met.

7. Any substantial change in Project scope following final engineering design approval can only be made with the approval of the District, the County Commission, and the State.

8. A Project complaint center shall be maintained at the Office of the District, in Mt. Nebo, West Virginia, for the duration of the Project. Complaint forms shall be provided by the District. The agent shall investigate all complaints with the least possible delay and provide complainant response within 30 working days of filing the complaint. Failure on the part of any contractor or other employed person to respond to a complaint will be grounds for voiding any contract or agreement.

9. A final inspection of all aspects of the Project shall be made by the District, the County Commission, and other interested parties.

10. All work completed and incomplete on this Project will become the property of the District and the disposition or completion of incomplete work on the Project shall become the responsibility of the District.

11. This Agreement shall be in effect for a period of three fiscal years, subject to annual renewal for any additional period of time needed to complete all phases of the Project, each of which annual renewal periods shall be limited to one fiscal year.

12. The provisions of the Agreement are in addition and not in derogation of any power and authority vested in these public bodies under and constitutional, statutory, or other provisions which may now or hereafter be in effect.

IN WITNESS WHEREOF, the District and the County Commission have cause this Agreement to be executed as of the date set forth above.

WILDERNESS PUBLIC SERVICE DISTRICT

Attest: _____
Secretary

By: _____
Chairman

THE COUNTY COMMISSION OF NICHOLAS COUNTY, WEST VIRGINIA

Attest: _____
County Clerk

By: _____
President

WILDERNESS PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2001 A
(United States Department of Agriculture)

RECEIPT OF DEPOSITORY BANK

I, the undersigned duly authorized representative of Branch Banking and Trust Company, Summersville, West Virginia (the "Bank"), hereby certify that on August 8, 2001, the Bank received an automated transfer in the amount of $14,266.55 to the credit of the Waterworks Project Construction Account, Account Number 5272328120.

WITNESS my signature on this 8th day of August, 2001.

BRANCH BANKING AND TRUST COMPANY

By: Lisa McClung

Its: Relationship Banker

08/06/01
972000.00001

CH439323.1

WILDERNESS PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE DESIGN OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF WILDERNESS PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ACCEPTANCE BY WILDERNESS PUBLIC SERVICE DISTRICT OF DESIGN FUNDING ASSISTANCE IN THE AGGREGATE PRINCIPAL AMOUNT OF $143,924 THROUGH THE WEST VIRGINIA DWTRF PROGRAM; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO ACCEPTANCE OF SUCH FUNDING; APPROVING, RATIFYING AND CONFIRMING THE DESIGN FUNDING ASSISTANCE AGREEMENT RELATING TO SUCH FUNDING ASSISTANCE.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF WILDERNESS PUBLIC SERVICE DISTRICT:

WHEREAS, this Resolution (together with any resolution supplemental hereto or amendatory hereof, or both, the "Resolution") is adopted pursuant to the provisions of (i) Chapter 16, Article 13A and (ii) Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law;

WHEREAS, Wilderness Public Service District (the "Local Government") is authorized and empowered by the Act to design, acquire, construct, improve, operate and maintain a drinking water project and to finance the cost of design of the same from grants or other funding assistance (the "Project");

WHEREAS, the Local Government has submitted an application for the Project to the West Virginia Bureau for Public Health (the "BPH") and the West Virginia Water Development Authority (the "Authority");

WHEREAS, in reviewing the application for the Project, the BPH and the Authority have determined to offer design funding assistance to the Local Government for the Project through a principal forgiveness loan (the "Funding Assistance") as provided in the Design Funding Assistance Agreement a copy of which is attached hereto as Exhibit B and incorporated herein by reference (the "Design Funding Assistance Agreement");

WHEREAS, the Design Funding Assistance Agreement has been presented to the Local Government;

WHEREAS, the capitalized terms used herein and not otherwise defined shall have the same meaning set forth in the Design Funding Assistance Agreement when used herein;

WHEREAS, the Local Government has complied with all terms and requirements set forth in the Design Funding Assistance Agreement; and

WHEREAS, the Public Service Board deems it essential and desirable that this Resolution be adopted, that the Design Funding Assistance Agreement be approved and ratified, that the exact principal amount, date, and other terms of the Funding Assistance be fixed hereby in the manner stated herein, and that other matters relating to the Funding Assistance be herein provided for.

NOW, THEREFORE, BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF WILDERNESS PUBLIC SERVICE DISTRICT, AS FOLLOWS:

Section 1. A. There is hereby authorized and ordered the undertaking of the Project, as described in Exhibit A attached hereto, at an estimated cost not to exceed $143,924, which includes the undertaking of the Project in accordance with the application heretofore filed with the BPH. The proceeds of the Funding Assistance hereby authorized shall be applied to the costs of the Project. The Local Government will enter into a contract for the undertaking of the Project, in an amount otherwise compatibly with the financing plan submitted to the Authority and the BPH.

B. The cost of the Project is estimated not to exceed $191,119, of which $143,924 will be obtained from the proceeds of the Funding Assistance. The remaining portion of the cost of the Project is equal to 30% of the design fee of the Consulting Engineer, of which $5,000 has previously been paid from funds of the Local Government and the remainder of which is being deferred by the Consulting Engineer until the closing of the loan for the construction of the extensions and improvements being design pursuant to the Project.

Section 2. The Local Government hereby ratifies, approves and accepts the Design Funding Assistance Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Design Funding Assistance Agreement by the Chairperson of the Public Service Board and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 3. The Local Government hereby affirms all covenants and representations made in the Design Funding Assistance Agreement and in the application to the BPH. The Local Government hereby agrees to comply with all covenants, conditions and requirements set forth in the Design Funding Assistance Agreement.

Section 4. The Local Government hereby approves the Design Funding Assistance Note, Series 2014 A (West Virginia DWTRF Program) (the "Note"), substantially in

the form attached hereto as Exhibit C, 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. The Note shall be executed in the name of the Local Government by the Chairperson, and the seal of the Issuer, if any, shall be affixed thereto or imprinted thereon by the Secretary.

Section 5. BPH shall advance the proceeds of the Funding Assistance from time to time upon receipt of a requisition evidencing the costs incurred, in the form provided on Exhibit C to the Design Funding Assistance Agreement. Such amounts advanced under the Design Funding Assistance Agreement shall be deemed forgiven on the 30th day of June in the fiscal year in which they were advanced.

Section 6. The Local Government hereby appoints and designates Branch Banking & Trust Company, Summersville, West Virginia, to serve as Depository Bank for the Funding Assistance.

Section 7. The proceeds of the Funding Assistance, as advanced from time to time, shall be Deposited in or credited to the Construction Trust Fund, as received by the Local Government for payment of costs of the Project, including costs of issuance of the Funding Assistance.

Section 8. The Chairperson and Secretary of the Public Service Board are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Funding Assistance hereby and by the Design Funding Assistance Agreement approved and provided for, to the end that the Funding Assistance may be delivered to the Local Government pursuant to the Design Funding Assistance Agreement on or about January 31, 2014.

Section 9. The undertaking of the Project and the financing thereof with proceeds of the Funding Assistance are in the public interest, serve a public purpose of the Local Government and will promote the health, welfare and safety of the residents of the Local Government.

Section 10. The Local Government hereby approves and accepts all contracts relating to the financing and undertaking of the Project and the Chairperson of the Public Service Board is hereby authorized and directed to execute and deliver all such contracts.

Section 11. The Local Government hereby approves the costs of issuance and authorizes the payment of the same.

Section 12. This Resolution shall be effective immediately following adoption of the same.

Adopted this 16th day of January, 2014.

Chairperson and Member

Member

Member

CERTIFICATION

Certified as a true copy of a Resolution duly adopted by the Public Service Board of the Wilderness Public Service District on the 16th day of January, 2014.

Dated this 31st day of January, 2014.

[SEAL]

Dubbie Gilbert
Secretary

EXHIBIT A

PROJECT DESCRIPTION

The design of the following improvements and extensions to the existing waterworks facilities of Wilderness Public Service District for the Whitewater Road Interconnection Project: connection to the Gauley River Public Service District system to provide additional capacity, construction of a 150,000 gallon storage tank to serve the Mount Lookout area, solids handling improvements at treatment plant, and distribution improvements at the Mount Lookout pressure zone.

EXHIBIT B

Design Funding Assistance Agreement included in transcript as Document 2.3

EXHIBIT C

FORM OF SERIES 2014 A NOTE

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
WILDERNESS PUBLIC SERVICE DISTRICT
DESIGN FUNDING ASSISTANCE NOTE,
SERIES 2014 A (WEST VIRGINIA DWTRF PROGRAM)

No. AR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That WILDERNESS PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Nicholas County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference. The principal amounts advanced under the Series 2014 A Notes will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2014 A Notes shall be deemed no longer outstanding after the last advance is forgiven.

This Note shall bear no interest.

This Note is issued to pay the costs of the design of certain extensions and improvements to the existing waterworks facilities of the Issuer (the "Project"). This Note is issued under a Resolution duly adopted by the Issuer on _____, 2014 (the "Resolution") and the Design Funding Assistance Agreement by and among the Issuer, the Authority and the Bureau for Public Health (the "BPH"), dated _____, 2014, and is subject to all the terms and conditions thereof.

This Note, under the provisions 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 Note, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Design Funding Assistance Agreement, shall be applied solely to payment of the costs of the Project and costs of issuance hereof as described in the Design Funding Assistance Agreement, 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 Note.

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

All provisions of the Resolution, Design Funding Assistance Agreement, resolutions and statutes under which this Note is issued shall be deemed to be a part of the contract evidenced by this Note to the same extent as if written fully herein.

IN WITNESS WHEREOF, WILDERNESS PUBLIC SERVICE DISTRICT has caused this Note to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Note to be dated _____, 2014.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

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			

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)
AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

3.1

GENERAL CERTIFICATE ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES AND DELIVERY
6. PUBLIC SERVICE COMMISSION ORDER
7. RATES
8. INCUMBENCY AND OFFICIAL NAME
9. MEETINGS
10. INSURANCE
11. LOAN AGREEMENT
12. SPECIMEN BOND
13. BOND PROCEEDS
14. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING
15. LAND AND RIGHTS-OF-WAY
16. CONFLICTS OF INTEREST
17. PROCUREMENT OF ENGINEERING SERVICES
18. VERIFICATION OF SCHEDULE B
19. WETLANDS COVENANT
20. GRANTS
21. COUNTERPARTS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Wilderness Public Service District in Nicholas County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify in connection with the Wilderness Public Service District Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), numbered AR-1, dated the date hereof, in the principal amount of $1,905,856 (the "Series 2015 A Bonds") and Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), numbered BR-1, dated the date hereof, in the principal amount of $464,715 (the "Series 2015 B Bonds" and together with the Series 2015 A Bonds, the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning set forth in the Bond Resolution

duly adopted by the Issuer on July 30, 2015, the Supplemental Resolution duly adopted by the Issuer on July 30, 2015 (collectively, the "Resolution"), and the Loan Agreement between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Bureau of Public Health ("BPH"), dated August 12, 2015 (the "Loan Agreement").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the authorization, issuance, sale and delivery of the Bonds, the acquisition and construction of the Project, the operation of the System, the collection or use of the Gross Revenues, or the pledge and security of the Net Revenues for the Bonds; nor affecting the validity of the Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the title of the members or officers of the Issuer, the Governing Body, to their respective offices; nor questioning any proceedings of the Issuer taken with respect to the authorization, issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation of the System, the collection or use of the Gross Revenues, or the pledge and security of the Net Revenues for the Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect, and competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the Code of West Virginia, 1931, as amended, which bids remain in full force and effect. The Issuer has received the Drug Free Workplace affidavits from the successful bidders required by Chapter 21, Article 1D of the West Virginia Code of 1931, as amended.

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. The Issuer has met all conditions set forth in the Loan Agreement and will provide the financial, institutional, legal and managerial capabilities necessary to complete and operate the Project.

The Bonds are 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 the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met. 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 all the terms and provisions of the Prior Bonds and the Prior Resolutions.

5. SIGNATURES AND DELIVERY: The undersigned Chairman and Secretary are the duly elected or appointed, qualified and acting officers of the Issuer as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Bonds for the Issuer. The seal impressed upon the Bonds and this Certificate is the

duly authorized, proper and only seal of the Issuer. On the date hereof, the undersigned Chairman did officially sign all of the Bonds, consisting upon original issuance of a single Bond, dated the date hereof, by his manual signature; the undersigned Secretary did officially cause the seal of the Issuer to be affixed upon the Bonds and to be attested by his manual signature; and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement.

6. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Administrative Law Judge entered on May 22, 2015, as made final by the Public Service Commission of West Virginia (the "PSC") on June 11, 2015, in Case No. 15-0230-PWD-CN, granting the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Order has expired prior to the date hereof without any appeal having been filed. The Order remains in full force and effect.

7. RATES: The Issuer has received the Recommended Decision of the Administrative Law Judge entered on May 22, 2015, as made final by the Public Service Commission of West Virginia (the "PSC") on June 11, 2015, in Case No. 15-0230-PWD-CN, approving the water rates and charges for the services of the System, and has adopted a resolution prescribing such rates and charges. The time for appeal of the Order has expired prior to the date hereof without any appeal having been filed. The Order remains in full force and effect.

8. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is the "Wilderness Public Service District." The Issuer is a public service district and public corporation duly created by The County Commission of Webster County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The Governing Body of the Issuer is its Public Service Board, consisting of 3 duly appointed, qualified and acting members. The names and dates of commencement and termination of terms of office for all such officials are listed below:

Name	Date Of Commencement Of Office	Date Of Termination Of Office
L. Alan Whittington	March 19, 2013	April 1, 2019
Todd A. Dean	March 15, 2011	April 1, 2017
W. David Sizemore	June 04, 2010	April 1, 2021

The names of the duly elected and/or appointed, qualified and acting officers of the Public Service Board of the Issuer for the calendar year 2015 are as follows:

Chairman	-	L. Alan Whittington
Treasurer	-	Todd A. Dean
Secretary	-	Debbie Gilbert

The duly appointed and acting counsel to the Issuer is Gregory A. Tucker, Esq., of Summersville, West Virginia.

9. MEETINGS: All actions, Resolutions, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, operation and financing of the Project or the System were authorized or adopted at meetings of the Governing Body duly and regularly or specifically called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes including Chapter 6, Article 9A of the Code of West Virginia, 1931, as amended, and a quorum of duly elected or appointed, 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.

10. INSURANCE: The Issuer will maintain or, as appropriate, will require all contractors to maintain workers' compensation, public liability and property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Resolution and the Loan Agreement. All insurance for the System required by the Resolution and the Loan Agreement is in full force and effect.

11. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Loan Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Loan Agreement does not contain any untrue statements of 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 therein not misleading; and (iv) the Issuer is in compliance with the Loan Agreement.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority (the "Authority"). Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

12. SPECIMEN BOND: Attached hereto as Exhibit A are specimens of the Bonds which are identical in all respects with the Bonds this day delivered to the Authority and being substantially in the form prescribed in the Resolution.

13. BOND PROCEEDS: On the date hereof, the Issuer received $64,817.39 from the Authority and the BPH, being a portion of the principal amount of the Bonds and more than a de minimus amount of the proceeds of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer from time to time as acquisition and construction of the Project progresses.

14. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING: The Issuer has duly published the required notice with respect to, among other things, the amount of the Bonds to be issued, the interest rate and terms of the Bonds, the Project to be acquired or constructed, the cost of the Project, the anticipated user rates and charges and the date that a formal application for a certificate of public convenience and necessity is to be filed with the PSC in accordance with Chapter 16, Article 13A, Section 25 of the Code of West Virginia, 1931, as amended.

15. 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.

16. CONFLICTS OF INTEREST: No member, officer or employee of the Issuer or the Public Service Board 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 Resolution, 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.

17. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied with all the requirements of Chapter 5G, Article 1 of the Code of West Virginia, 1931, as amended, in the procurement of the engineering services of the Consulting Engineer.

18. VERIFICATION OF SCHEDULE B: The final amended Schedule B attached to the Certificate of Consulting Engineer, with the signature of the Chairman and the Consulting Engineer, accurately represents the estimated costs of the Project, the sources of funds available to pay the costs of the Project and the costs of financing of the Bonds.

18. WETLANDS COVENANT: The Issuer hereby certifies that it will not use any proceeds of the Bonds for a purpose that will contribute to excessive erosion of highly erodible lands or to the conversion of wetlands to produce an agricultural commodity.

20. GRANTS: As of the date hereof, the grant from the West Virginia Infrastructure and Jobs Development Council in the amount of approximately $100,000; the AML Grant in the amount of $157,560.50; and the grant from the Issuer in the amount of $5,000 are committed for the Project and remains in full force and effect.

20. COUNTERPARTS: This Certificate may be executed in counterparts and all counterparts shall be deemed to be the Certificate.

WITNESS our signatures and the official corporate seal of the Wilderness Public Service District on this 12th day of August, 2015.

[SEAL]

Signature	Official Title
_____	Chairman
_____	Secretary
_____	Counsel to Issuer

4835-1986-2821.v1

WITNESS our signatures and the official corporate seal of the Wilderness Public Service District on this 12th day of August, 2015.

[SEAL]

Signature	Official Title
_____	Chairman
_____	Secretary
_____	Counsel to Issuer

EXHIBIT A

See Specimen Bonds (Tab No. 15)

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

CERTIFICATE AS TO USE OF PROCEEDS

On this 12th day of August, 2015, the undersigned Chairman of the Public Service Board of Wilderness Public Service District in Webster County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of $1,905,856 aggregate principal amount of Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program) (the "Series 2015 A Bonds") and $464,715 aggregate principal amount of Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), (the "Series 2015 B Bonds," and together with the Series 2015 A Bonds, the "Bonds"), Of the Issuer, both dated August 12, 2015 hereby certify as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings as set forth in the Bond Resolution duly enacted by the Issuer on July 30, 2015 (the "Bond Resolution"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on August 12, 2015, the date on which the Bonds are to be physically delivered in exchange for a portion of the principal amount of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. The Series 2015 A Bonds were sold on August 12, 2015, to the Authority, pursuant to a loan agreement dated August 12, 2015, by and among the Issuer, the Authority, and the BPH, for an aggregate purchase price of $1,905,856 (100% of par value), at which time, the Issuer received $64,817.39 from the Authority and the BPH, being the first advance 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.

5. The Series 2015 B Bonds were sold on August 12, 2015, to the Authority, pursuant to a loan agreement dated August 12, 2015, by and among the Issuer, the Authority, and the BPH, for an aggregate purchase price of $464,715 (100% of par value), at which time, the Issuer received $-0- from the Authority and the BPH, being the first advance 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 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 public combined waterworks and sewerage sewer system of the Issuer (the "Project"); and (ii) paying costs of issuance of the Bonds and related costs.

7. The Issuer shall, on the date hereof or immediately hereafter, enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds for the acquisition and construction of the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures for costs of the Project shall commence immediately and proceed with due diligence to completion and, with the exception of 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 acquisition and construction of the Project on or before July 1, 2016. The acquisition and construction of the Project is expected to be completed by May 8, 2016.

8. The total cost of the Project is estimated to be $2,777,055.50. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2015 A Bonds	$1,905,856.00
Proceeds of the Series 2015 B Bonds	$ 464,715.00
Proceeds of the Series 2014 A Note	$ 143,924.00
Proceeds of the District Contribution	$ 5,000.00
Proceeds of the AML Grant	$ 157,560.50
Proceeds of IJDC Grant:	$ 100,000.00
Total Sources	$2,777,055.50

USES

Costs of Project	$2,759,055.50
Costs of Issuance	$ 18,500.00
Total Uses	$2,777,055.50

9. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created (or continued pursuant to the Prior Resolutions):

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2015 Bonds Construction Trust Fund;

(4) Series 2015 A Bonds Sinking Fund;

(5) Series 2015 A Bonds Reserve Account;

(6) Series 2015 B Bonds Sinking Fund; and

(7) Series 2015 B Bonds Reserve Account.

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

(1) Series 2015 A Bond proceeds in the amount of $-0- will be deposited in the Series 2015 A Bonds Reserve Account.

(2) Series 2015 B Bond proceeds in the amount of $-0- will be deposited in the Series 2015 B Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2015 A Bonds will be deposited in the Series 2015 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of acquisition and construction of the Project, including costs of issuance of the Bonds and related costs, and for no other purpose.

(4) The balance of the proceeds of the Series 2015 B Bonds will be deposited in the Series 2015 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of acquisition and construction of the Project, including costs of issuance of the Bonds and related costs, and for no other purpose.

11. Moneys held in the Series 2015 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2015 A Bonds Reserve Account (if equal to the Series 2015 A Bonds Reserve Requirement) will be withdrawn therefrom, not less than once each year, and, during acquisition and construction of the Project, deposited into the Series 2015 A Bonds Construction Trust Fund, and following completion of the Project, will be deposited in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

12. Moneys held in the Series 2015 B Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series

2015 B Bonds Reserve Account (if equal to the Series 2015 B Bonds Reserve Requirement) will be withdrawn therefrom, not less than once each year, and, during acquisition and construction of the Project, deposited into the Series 2015 B Bonds Construction Trust Fund, and following completion of the Project, will be deposited in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

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

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

15. With the exception of the amount deposited in the Series 2015 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 15 months from the date of issuance thereof.

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

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

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

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

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

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

22. The Bonds are not federally guaranteed.

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

24. The Issuer has either (a) funded the Series 2015 A Bonds Reserve Account at the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2015 A Bonds Reserve Account which will be funded with equal payments

made on a monthly basis over a 10-year period until the Series 2015 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 2015 A Bonds Reserve Account and the Series 2015 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to pay costs of the Project.

25. The Issuer has either (a) funded the Series 2015 B Bonds Reserve Account at the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2015 B Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until the Series 2015 B Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest, if any, which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 2015 B Bonds Reserve Account and the Series 2015 B Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to pay costs of the Project.

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

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

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

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

[The remainder of this page is intentionally blank.]

WITNESS my signature as of the date first written above.

WILDERNESS PUBLIC SERVICE DISTRICT

Chairman

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

3.3

CERTIFICATE OF CONSULTING ENGINEER

I, Edward L. Shutt, Registered Professional Engineer, West Virginia License No. 7314, of Stafford Consultants, Inc., Princeton, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") to the existing water system (the "System") of the Wilderness Public Service District (the "Issuer"), to be constructed primarily in Webster County, West Virginia, which acquisition and construction is being financed by the above-captioned bonds (collectively, the "Bonds") of the Issuer. All capitalized words used herein and not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on July 30, 2015, and the Loan Agreement between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau of Public Health ("BPH"), dated August 12, 2015 (the "Loan Agreement").

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

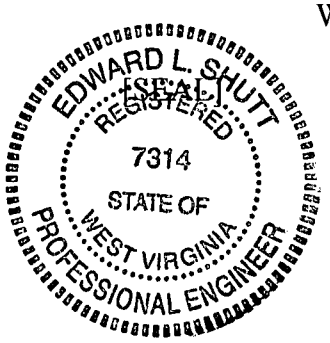
3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the BPH and any change orders approved by the Issuer, the BPH and all necessary governmental bodies; (ii) the schematic design for the Project began before July 1, 2012; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit A, and my firm has ascertained in reliance upon the opinion of Gregory A. Tucker, Esq. 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; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the bid documents relating to the Project reflect the Project as approved by the BPH and the bid forms provided to the bidders contain all critical operational components of the Project; (vii) the successful bids include prices for every item on such bid forms; (viii) the uniform bid procedures were followed; (ix) the Issuer has obtained all permits required by the laws of the State of West Virginia and the

United States necessary for the acquisition and construction of the Project and operation of the System; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the BPH; (xi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve 13 new customers.

[The remainder of this page intentionally left blank]

WITNESS my signature and seal on this 12th day of August, 2015.



Edward L. Shutt, P.E.
West Virginia License No. 7314

4832-6820-4581.v1

Wilderness PSD - White Water Road Interconnection
POST-BID SCHEDULE B 2012W-1375 / 14DWTRFA007D
Total Cost of Project, Sources of Funding and Cost of Financing
Updated July 20, 2015

	Total	DWTRF Design Loan Principal Forgiveness	DWTRF Repayment Loan	AML	Wilderness PSD	DWTRF Principal Forgiveness	IJDC Grant
A. Cost of Project							
Construction Cost							
Direct Purchase Equipment	$23,500.00	$0.00	$23,500.00	$0.00	$0.00	$0.00	$0.00
Contract 1 Interconnect & Booster St							
AML Eligible - Whitewater Rd	$315,121.00	$0.00	$157,560.50	$157,560.50	$0.00	$0.00	$0.00
AML Non-Eligible - Whitewater Rd	$372,100.00	$0.00	$302,100.00	$0.00	$0.00	$0.00	$70,000.00
AML Non-Eligible - Mt Lookout	$187,285.00	$0.00	$187,285.00	$0.00	$0.00	$0.00	$0.00
Contract 2 Mt Lookout Storage Tank							
AML Non-Eligible	$337,916.00	$0.00	$337,916.00	$0.00	$0.00	$0.00	$0.00
Contract 3 Water Plant							
AML Non-Eligible	$1,023,900.00	$0.00	$542,185.00	$0.00	$0.00	$464,715.00	$17,000.00
Construction & Other Contingencies	$25,506.97	$0.00	$12,506.97	$0.00	$0.00	$0.00	$13,000.00
Engineering - Basic							
Report & Study	$10,000.00	$5,000.00	$0.00	$0.00	$5,000.00	$0.00	$0.00
Preliminary Design Phase	$65,000.00	$65,000.00	$0.00	$0.00	$0.00	$0.00	$0.00
Final Contract Documents	$41,140.00	$17,955.05	$23,184.95	$0.00	$0.00	$0.00	$0.00
Bidding & Negotiation Phase	$15,000.00	$0.00	$15,000.00	$0.00	$0.00	$0.00	$0.00
Admin of Construction Contract	$31,500.00	$0.00	$31,500.00	$0.00	$0.00	$0.00	$0.00
Engineering - Resident Project Rep	$90,000.00	$0.00	$90,000.00	$0.00	$0.00	$0.00	$0.00
Engineering - Special Services							
Geotechnical Investigation	$9,000.00	$0.00	$9,000.00	$0.00	$0.00	$0.00	$0.00
Property Surveys	$5,190.00	$5,185.77	$4.23	$0.00	$0.00	$0.00	$0.00
Mapping - Booster Station	$3,000.00	$0.00	$3,000.00	$0.00	$0.00	$0.00	$0.00
Environmental Clearance	$13,790.00	$13,789.94	$0.06	$0.00	$0.00	$0.00	$0.00
Easement Maps	$3,690.00	$3,688.24	$3.76	$0.00	$0.00	$0.00	$0.00
Condemnation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Funding Applications	$2,000.00	$0.00	$2,000.00	$0.00	$0.00	$0.00	$0.00
Record Drawings	$2,500.00	$0.00	$2,500.00	$0.00	$0.00	$0.00	$0.00
Special Meetings	$2,000.00	$0.00	$2,000.00	$0.00	$0.00	$0.00	$0.00
Asset Management Plan	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Prep of Asset Mgmt Plan (TetraTech)	$31,800.00	$0.00	$31,800.00	$0.00	$0.00	$0.00	$0.00
Administrative Technical Services							
Project Administration	$86,711.00	$10,000.00	$76,711.00	$0.00	$0.00	$0.00	$0.00
Project Accountant	$8,000.00	$4,000.00	$4,000.00	$0.00	$0.00	$0.00	$0.00
Legal Services							
PSC Attorney	$7,000.00	$3,500.00	$3,500.00	$0.00	$0.00	$0.00	$0.00
Lands/ROW Attorney	$5,000.00	$5,000.00	$0.00	$0.00	$0.00	$0.00	$0.00
Lands & ROW's							
Tank Site	$1,250.00	$1,250.00	$0.00	$0.00	$0.00	$0.00	$0.00
Booster Station Site	$1,000.00	$1,000.00	$0.00	$0.00	$0.00	$0.00	$0.00
Plant Site	$8,157.00	$8,157.00	$0.00	$0.00	$0.00	$0.00	$0.00
Easements	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Appraisals	$2,400.00	$2,400.00	$0.00	$0.00	$0.00	$0.00	$0.00
Permits							
Bureau of Public Health	$300.00	$0.00	$300.00	$0.00	$0.00	$0.00	$0.00
WV Dept of Highways	$8,000.00	$0.00	$8,000.00	$0.00	$0.00	$0.00	$0.00
WVNPDES - Stormwater Permit	$1,170.00	$0.00	$1,170.00	$0.00	$0.00	$0.00	$0.00
Highway Bond	$1,000.00	$0.00	$1,000.00	$0.00	$0.00	$0.00	$0.00
Power Service Booster Station	$10,000.00	$0.00	$10,000.00	$0.00	$0.00	$0.00	$0.00
Power Service Plant Site	$9,145.73	$0.00	$9,145.73	$0.00	$0.00	$0.00	$0.00
Legal Ads / Miscellaneous	$482.80	$0.00	$482.80	$0.00	$0.00	$0.00	$0.00
Cost of Financing							
Bond Counsel	$18,000.00	$0.00	$18,000.00	$0.00	$0.00	$0.00	$0.00
Registrar's Fees	$500.00	$0.00	$500.00	$0.00	$0.00	$0.00	$0.00
Capitalized Interest	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total Project Budget	$2,777,055.50	$143,924.00	$1,905,856.00	$157,560.50	$5,000.00	$464,715.00	$100,000.00

Wilderness PSD

Date

Consulting Engineer

8-12-15

Date

** Change orders to be signed simultaneously at closing result in a decrease of $70,000 in Contract 1 AML Non Eligible - Whitewater Road and a decrease of $17,000 in Contract 3 AML Non Eligible. Once the change orders are signed, these amounts will be placed in the IJDC Grant contingency

LOWE & ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
1156 SOUTH MAIN STREET
MILTON, WEST VIRGINIA 25541
Phone: (304) 743-5573 FAX: (304) 743-1150
Toll Free: 1-800-720-9629
e-mail: rlowe@lowecpas.com

August 12, 2015

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)

Wilderness Public Service District
Mount Nebo, West Virginia

West Virginia Bureau of Public Health
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

United States Department of Agriculture
Rural Utilities Service
Beckley, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I have reviewed the rates proposed in the filing for a Certificate of Convenience and Necessity with the Public Service Commission of West Virginia (the "PSC") of the Wilderness Public Service District (the "Issuer"), and the projected operating expenses and anticipated customer usage provided by Stafford Consultants Inc., the consulting engineer of the Issuer. It is my opinion that such rates are sufficient (a) to provide for all operating expenses of the water system of the Issuer (the "System"), and (b) to leave a balance each fiscal year equal to at least 115% of the maximum amount required in any succeeding fiscal year for the payment of principal of and interest on the Issuer's Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program) (the "Series 2015 A Bonds"), and all other obligations secured by or payable from revenues of the System on a parity with the Series 2015 A Bonds, including the Issuer's (i) Water Revenue Bonds, Series 1979 (United States Department of Agriculture), dated December 7, 1979, issued in the original aggregate principal amount of $740,000 (the "Series 1979 Bonds"); (ii) Water Revenue Bonds, Series 1992 (United States Department of Agriculture), dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds"); (iii) Water Revenue Bonds, Series 1997 Bonds (United States Department of

Agriculture), September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds"); and (iv) Water Revenue Bonds, Series 2001 A Bonds (United States Department of Agriculture), dated August 8, 2001, issued in the original aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds"), (collectively, the "Prior Bonds").

It is further my opinion that (i) the net revenues for the fiscal year following the year in which the Series 2015 A Bonds are to be issued will be at least 115% of the average annual debt service requirements on the Prior Bonds and the Series 2015 A Bonds; and (ii) the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of the Series 2015 A 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 the Series 2015 A Bonds, will not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding year on the Prior Bonds and the Series 2015 A Bonds.

Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Resolution authorizing the Series 2015 A Bonds

Very truly yours,

Tow & Associates, PLLC

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

3.5

RECEIPT FOR BONDS

The undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, hereby certifies as follows:

1. On the 12th day of August 2015, in Charleston, West Virginia, the Authority received the entire original issue of $ 1,905,856 in aggregate principal amount of the Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), of the Wilderness Public Service District (the "Issuer"), dated August 12, 2015, issued in the form of one bond, fully registered to the Authority, and numbered AR-1 (the "Series 2015 A Bonds") and the entire original issue of $ 464,715 in aggregate principal amount of the Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), of the Issuer, dated August 12, 2015, issued in the form of one bond, fully registered to the Authority, and numbered BR-1 (the "Series 2015 B Bonds," and together with the Series 2015 A Bonds, the "Bonds").

2. At the time of such receipt of the Bonds, they had been executed by the Chairman of the Public Service Board of the Issuer and attested by the Secretary of the Public Service Board of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been impressed upon the Bonds.

WITNESS my signature on this 12th day of August, 2015.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

Sheila A. Miller
Authorized Representative

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

3.6

RECEIPT FOR BOND PROCEEDS

The undersigned Chairman of the Public Service Board of Wilderness Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certifies as follows:

On the 12th day of August, 2015, the Issuer received and hereby acknowledges receipt from the West Virginia Water Development Authority (the "Authority"), as the original purchaser of the $ 1,905,856 the Wilderness Public Service District Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), dated August 12, 2015 (the "Series 2015 A Bonds"), and the $ 464,715 the Wilderness Public Service District Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), dated August 12, 2015 (the "Series 2015 B Bonds," and together with the Series 2015 A Bonds, the "Bonds"), of the sum of $64,817.39, being a portion of the principal amount of the Series 2015 A Bonds. The Issuer understands that the remaining proceeds of the Bonds will be advanced to the Issuer from time to time as construction proceeds to completion.

WITNESS my signature on this 12th day of August, 2015.

WILDERNESS PUBLIC SERVICE DISTRICT

Chairman

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

REQUEST AND AUTHORIZATION TO
AUTHENTICATE AND DELIVER THE BONDS

August 12, 2015

United Bank, Inc., as Registrar
Charleston, West Virginia

Ladies and Gentlemen:

We herewith hand to you, duly executed, the $ 1,905,856 Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), in the form of one bond, numbered AR-1, dated August 12, 2015 (the "Series 2015 A Bonds"), and the $464,715 Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), in the form of one bond, numbered BR-1, dated August 12, 2015 (the "Series 2015 B Bonds," and together with the Series 2015 A Bonds, the "Bonds"), of the Wilderness Public Service District (the "Issuer"), authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on July 30, 2015, and a Supplemental Resolution duly adopted by the Issuer on July 30, 2015.

You are hereby requested and authorized to register, authenticate and deliver the Bonds on behalf of the Issuer to the West Virginia Water Development Authority.

WILDERNESS PUBLIC SERVICE DISTRICT

Chairman

(SEAL)

Attest:

Secretary

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 12th day of August, 2015, by and between the WILDERNESS PUBLIC SERVICE DISTRICT, a public service district and public corporation (the "Issuer"), and UNITED BANK, INC., Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $ 1,905,856 Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program) (the "Series 2015 A Bonds"), in the form of one bond, numbered AR-1, in fully registered form, and $ 464,715 Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program) (the "Series 2015 B Bonds," and together with the Series 2015 A Bonds, the "Bonds") pursuant to a Bond Resolution duly adopted by the Issuer on July 30, 2015, and a Supplemental Resolution duly adopted July 30, 2015 (collectively, the "Resolution");

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 Resolution, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Resolution provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Resolution and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Resolution 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 Resolution, such duties including, among other things, the duties to authenticate, register and deliver the Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exclusion of interest, if any, on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Resolution with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Resolution, the terms of the Resolution shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Resolution will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective address:

ISSUER:

Wilderness Public Service District
P.O. Box 37
Mount Nebo, WV 26679
Attention: Office Manager

REGISTRAR:

United Bank, Inc.
Corporate Trust Department
P. O. Box 393
Charleston, WV
ATTN: Corporate Trust Department

The Issuer and the Registrar shall notify the other in writing of any change of address.

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Resolution.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the date first above-written.

WILDERNESS PUBLIC SERVICE DISTRICT

Chairman

UNITED BANK, INC.

Authorized Officer

EXHIBIT A

See Bond Resolution (Tab No. 11)
See Supplemental Resolution (Tab No. 12)

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM) AND
WATER REVENUE BONDS, SERIES 2015 B
(WEST VIRGINIA DWTRF PROGRAM)

CERTIFICATE OF REGISTRATION OF BONDS

UNITED BANK, INC., Charleston, West Virginia, as Registrar (the "Registrar"), hereby certifies that on the date hereof, the single, fully registered Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), of the Wilderness Public Service District (the "Issuer"), dated August 12, 2015, in the principal amount of $1,905,856, and numbered AR-1, and the single, fully registered Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), of the Issuer, dated August 12, 2015, in the principal amount of $464,715, and numbered BR-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 Registrar.

WITNESS my signature on this 12th day of August, 2015.

UNITED BANK, INC., as Registrar

Authorized Officer

WILDERNESS PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2015 A
(WEST VIRGINIA DWTRF PROGRAM)

3.10

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

Branch Banking & Trust Company ("BB&T"), Summersville, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Resolution of the Wilderness Public Service District (the "Issuer"), adopted by the Issuer on July 30, 2015, and a Supplemental Resolution adopted by the Issuer on July 30, 2015 (collectively, the "Resolution"), authorizing the issuance of the Wilderness Public Service District Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), in the aggregate principal amount of $1,905,856, dated August 12, 2015, and Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), in the aggregate principal amount of $464,715, dated August 12, 2015, and agrees to serve as Depository Bank, all as set forth in the Resolution. BB&T is not serving as either a financial advisor or municipal advisor to the Issuer.

Witness my signature on this 12th day of August, 2015.

BRANCH BANKING & TRUST COMPANY

Michael [illegible]chaw, SVP
Authorized Officer

4822-9512-6053.v1-8/11/15

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 1117
900 Pennsylvania Ave., Charleston, WV 25302
(304) 558-3971

3.11(A)
NEW ISSUE REPORT FORM
Date of Report: August 12, 2015

ISSUE: Wilderness Public Service District Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program)

ADDRESS: P.O. Box 37, Mount Nebo, WV 26679 COUNTY: Nicholas

PURPOSE OF ISSUE: New Money X
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: August 12, 2015 CLOSING DATE: August 12, 2015

ISSUE AMOUNT: $ 1,905,856 RATE: 0.5 % Interest; 0.5 % Administrative Fee

1st DEBT SERVICE DUE: March 1, 2017 1st PRINCIPAL DUE: March 1, 2017

1st DEBT SERVICE AMOUNT: $20,055.49 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Jackson Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

UNDERWRITERS COUNSEL: _____
Contact Person: _____
Phone: (304) _____

CLOSING BANK: BB&T
Contact Person: Brenna Crislip
Phone: (304) 872-8162
E-Mail: _____

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Debbie Gilbert
Position: Office Manager
Phone: (304) 872-1598
E-Mail: debbie.gilbert@wildernesspsd.com

OTHER: WVBPH
Contact Person: Robert DeCrease
Function: P.E., Assistant Manager
Phone: (304) 558-6749

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: Debt Service Reserve Fund to be funded over 10 years.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

4820-9379-9461.v1

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 1117
900 Pennsylvania Ave., Charleston, WV 25302
(304) 558-3971

3.11(B)
NEW ISSUE REPORT FORM
Date of Report: August 12, 2015

ISSUE: Wilderness Public Service District Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program)

ADDRESS: P.O. Box 37, Mount Nebo, WV 26679 COUNTY: Nicholas

PURPOSE OF ISSUE: New Money X
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: August 12, 2015 CLOSING DATE: August 12, 2015

ISSUE AMOUNT: $ 464,715 RATE: N/A

1st DEBT SERVICE DUE: N/A 1st PRINCIPAL DUE: N/A

1st DEBT SERVICE AMOUNT: $ N/A PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Jackson Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

UNDERWRITERS COUNSEL: _____
Contact Person: _____
Phone: (304) _____

CLOSING BANK: BB&T
Contact Person: Brenna Crislip
Phone: (304) 872-8162
E-Mail: _____

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Debbie Gilbert
Position: Office Manager
Phone: (304) 872-1598
E-Mail: debbie.gilbert@wildernesspsd.com

OTHER: WVBPH
Contact Person: Robert DeCrease
Function: P.E., Assistant Manager
Phone: (304) 558-6749

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: Principal Forgiveness

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

PWSID #: WV3303405

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

350 CAPITOL STREET, ROOM 313 CHARLESTON, WV 25301-3713

Telephone (304) 558-2981

PERMIT

PROJECT: (Water) Water Treatment Plant Improvements and Whitewater Road Water Line Extension **PERMIT NO.:** 19,537

LOCATION: Mt. Nebo **COUNTY:** Nicholas **DATE:** 2-11-2015

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

RECEIVED
FEB 20 2015
STAFFORD CONSULTANTS

Wilderness Public Service District
589 Riviera Road
Mt. Nebo, West Virginia 26679

is hereby granted approval to: install approximately 3,260 LF of 8" and 7,808 LF of 6" water line; one (1) 100 GPM duplex booster station with VFD, emergency generator and booster chlorination; one (1) 100,000 gallon water storage tank with hydrodynamic mixing system; and all necessary valves, controls and appurtenances. At the existing Wilderness PSD water treatment plant add a new filter solids press building containing a 10 CF filter frame press, chemical mixer, cone slurry holding tank, compressor and all necessary, piping, valves, controls and appurtenances; and to add a new 100,000 gallon (37 ft. X 70 ft.) solids sedimentation basin.

Water distribution facilities will serve eleven (11) new customers in in the Whitewater Road area.

Note: This permit is contingent upon: 1) All new water lines and water storage tank being disinfected, flushed and bacteriologically tested, prior to use; and 2) Enclosing the new tank with a minimum six (6) feet high fence with lockable gates.

The Environmental Engineering Division of the **OEHS-Beckley District Office, (304) 256-6666,** is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:kls
pc: Stafford Consultants, Inc.
Jim Weimer, PE, PSC
Nicholas County Health Department
OEHS-EED Beckley District Office

DEP NPDESEP

From:	DEP NPDESEP
Sent:	Wednesday, February 25, 2015 2:23 PM
To:	DEP NPDESEP; scott.wpsd@gmail.com
Cc:	Morris, Gregory C; Lilly, James K (DEP); McGee, James L
Subject:	eP Modification Approval for WVG640071-A for Wilderness PSD (Wilderness PSD) in Nicholas County

A.L. Whittington, Chairman
Wilderness PSD
Box 37
Mt. Nebo, WV 26679

This email serves as Modification No. 1 of your existing WV/NPDES Water Pollution Control Permit Registration No. WVG640071 issued December 10, 2013.

After review and consideration of Permit Modification Application WVG640071-A, dated the 5th day of February, 2015, the subject permit is hereby modified to allow installation of a new additional 100,000 gallon settling basin to improve the efficiency/quality of the pretreatment of potable water and a plate filter press will be installed as a means of solids handling which will drain back into the new 100,000 gallon settling basin. A drain line, with de-chlorination unit, from the new settling basin will tie into the existing decant basin discharge line.

Your treatment classification remains Category 1. You should continue to use the Discharge Monitoring Report (DMR) forms from your last reissuance submitting electronically as applicable.

All other terms and conditions of the general permit and registration shall remain in effect and unchanged.

If you have any questions, please do not hesitate to contact Brian Bailey at (304) 926-0499 Ext. 1021 or by email at Brian.D.Bailey@wv.gov .

Scott G. Mandirola
Director
WV DEP-Division of Water & Waste Mgt.
601 57th St SE
Charleston, WV 25304-2345
Phone: (304) 926-0495
Fax: (304) 926-0463

BRECCOR-01 DDEEM

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 8/4/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
MVB Insurance, LLC.
48 Donley Street, Suite 703
Morgantown, WV 26501

CONTACT NAME: Denise Deem
PHONE (A/C, No, Ext): (304) 594-4040 FAX (A/C, No): (304) 699-0062
E-MAIL ADDRESS: ddeem@mvbinsurance.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Travelers Indemnity Company of America	25666
INSURER B : Travelers Indemnity Company	25658
INSURER C : Brickstreet	12372
INSURER D : Travelers Casualty and Surety Company of America	25674
INSURER E :	
INSURER F :	

INSURED
Breckenridge Corporation
PO Box 247 Brickyard Road
Buckhannon, WV 26201

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC OTHER:			DTCO5615B963TIA14	08/21/2014	08/21/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG EMPLOYE BENEFIT	$ 1,000,000 $ 300,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $ 2,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS			DT8105615B963TIA14	08/21/2014	08/21/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $ $
B	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 10,000			DTSMCUP5615B963IND14	08/21/2014	08/21/2015	EACH OCCURRENCE AGGREGATE	$ 6,000,000 $ 6,000,000 $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N Y (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WCB1019932	08/06/2015	08/06/2016	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
D	Builders Risk			QT6605D737804TIL15	08/12/2015	08/12/2016	Project Limit	1,023,900

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Wilderness Public Service District and Stafford Consultants Inc, Region IV PDC and West Virginia Water Development Authority are included as additional insureds (subject to normal professional liability exclusions). Wilderness Public Service District is named as additional insured with respects to Builders Risk coverage. Stafford engineers field office contents covered at $3000 with $0 deductible on contents. Project: Wilderness Public Service District, Contract No. 3, Water Treatment Plant Improvement, Mt Nebo, Nicholas County, WV

CERTIFICATE HOLDER
Wilderness Public Service District
589 Riviera Road
Mount Nebo, WV 26679

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Denise A. Deem

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ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/3/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

Bill Bailey Insurance Agency
701 Highland Avenue
P. O. Box 246
Williamstown WV 26187

CONTACT NAME: Renee Shotwell
PHONE (A/C, No, Ext): (304)375-4900 FAX (A/C, No): (304)375-2162
E-MAIL ADDRESS: rshotwell@bb-ins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: American Alternative Insurance	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED

Wilderness PSD
P.O. Box 37
Mt. Nebo WV 26679

COVERAGES **CERTIFICATE NUMBER:** CL158302228 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	X		GPPA-PF-6050949-05	7/1/2015	7/1/2016	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 3,000,000
							PRODUCTS - COMP/OP AGG	$ 3,000,000
							Stopgap	$ 1,000,000
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	$
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE	$
							AGGREGATE	$
								$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					PER STATUTE OTH-ER	
							E.L. EACH ACCIDENT	$
							E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

WV Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Renee D. Shotwell

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IC-2
(03/11)

GRANT AGREEMENT
(2012W-1375)

This Grant Agreement entered into by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), at the direction of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the WILDERNESS PUBLIC SERVICE DISTRICT (the "Governmental Agency").

RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed $100,000 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Authority and the Governmental Agency hereby agree as follows:

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources. The Project budget shall not be amended unless the Governmental Agency has received the prior written consent of the Council.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Authority. Unless agreed to by the Council prior to the commencement of construction, the Grant shall be the last dollars expended on the Project.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Authority shall wire the approved requisition amount using the wiring instructions provided in Exhibit B, unless the Council and Authority are provided replacement instructions in writing.

6. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

7. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

8. The Governmental Agency shall list the Grant provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project.

9. This Grant Agreement shall be governed by the laws of the State of West Virginia.

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

WILDERNESS PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman
Date: August 12, 2015

(SEAL)

Attest:
_____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: _____
Its: Executive Director
Date: August 12, 2015

(SEAL)

Attest:
_____
Its: Authorized Officer

4821-0677-4565.v1-7/24/15

Exhibit A

Project Description

The Project consists of construction and acquisition of approximately 7,300 linear feet of 8-inch PVC to interconnect Wilderness Public Service District to Gauley River Public Service District via Whitewater Road, a backwash holding tank at the plant, a new 150,000-gallon tank at Mt. Nebo and an emergency generator, and all necessary appurtenances thereto.

Number of Proposed New Customers to Be Served: 13
Location: Whitewater Road

[TO BE PLACED ON LETTERHEAD]

Exhibit B

Wiring Instructions

August 12, 2015

Wilderness Public Service District

Water Revenue Bonds, Series 2015 A
(West Virginia DWTRF Program) and
Water Revenue Bonds, Series 2015 B
(West Virginia DWTRF Program)

Payor:	**West Virginia Infrastructure & Jobs Development Council**
Source:	**Grant Proceeds**
Amount:	**$100,000**
Date:	**August 12, 2015**
Form:	**Electronic Funds Transfer**
Payee:	**Wilderness Public Service District** **PO Box 37, Mount Nebo, WV 26679**
Contact Name:	**Debbie Gilbert**
Telephone:	**(304) 872-1598**
Bank Name:	**BB&T** **815 Northside Drive** **Summersville, WV 26651**
Contact:	**Brenna Crislip, (304) 872-8162**
Wire Routing #:	**051503394**
Account Number:	**0005177792499**
Account:	**Construction Trust Fund**

West Virginia
Department of
Environmental Protection

Federal Awarding Agency	FAIN	Federal Award Date
Office of Surface Mining	S15AF20040	01/01/2015

Total Amount of Federal Award	R&D?	DEP's Indirect Cost Rate	CFDA # and Name
$31,224,960.00	No	37.27%	FA WV FY 2015 AML Grant 15.252

Grant Year	WV Grant Number	NPS Number	Sub Recipient FEIN	Sub Recipient DUNS
2015	AMLR EY15	N/A	550577641	037933751

Sub Recipient:	Sub Recipient Contact
Wilderness Public Service District P.O. Box 37 Mt. Nebo, WV 26679	Debbie Gilbert Wilderness Public Service District P.O. Box 37 Mt. Nebo, WV 26679

Project Title and Description:

Wilderness PSD County Route 9 – To extend the existing waterline north of Kesslers Cross Lanes and south of the community of Burl, providing potable water to nine residences in the project area.

Performance Period:	Amount Obligated this Action:	Cumulative Sub Grant Amount:
06/10/15 – 06/09/16	$157,560.50	$157,560.50

NOTICE OF AWARD

The West Virginia Department of Environmental Protection (WVDEP) under Chapter 22 Article 2 of the Code of West Virginia is charged with the reclamation of lands and water affected by the adverse effects of coal mining activities which took place prior to August 3, 1977, pursuant to Title IV of Public Law 95-87 known as "The Surface Mining Control and Reclamation Act of 1977" and the "Tax Relief and Health Care Act of 2006" Public Law 109-432 which included the Surface Mining Control and Reclamation Amendments of 2006.

WVDEP has determined that the area of the Wilderness PSD County Route 9 Waterline Extension is impacted from pre-1977 coal mining operations. Based upon an application received from Wilderness Public Service District received in April 2015, WVDEP hereby awards a sub grant to Wilderness PSD in the amount of $157,560.50 for the AML eligible construction costs of the County Route 9 Waterline Extension in Nicholas County. The U.S. Department of the Interior, Office of Surface Mining awarded WVDEP the FY 2015 Abandoned Mine Lands Simplified Grant for this purpose. Such award may be terminated by WVDEP without further cause if the sub recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Sub Grant Unit listed below within 21 days after receipt. This agreement is subject to applicable federal and state statutory provisions, and all terms and grant conditions of this agreement plus the financial monitoring plan and work plan.

AWARD APPROVAL OFFICE

ORGANIZATION / ADDRESS

Randy C. Huffman, Cabinet Secretary
West Virginia Department of Environmental Protection
601 57th Street, S.E.
Charleston, WV 25304

WV DEP Financial Contact:	WVDEP Project Manager:	Federal Awarding Contact:
Gary Rogers, Sub Grants Manager Business and Technology Office 601 57th Street, SE Charleston, WV 25304 304-926-0499 ext. 1115	Roger Earle, Waterline Coordinator Abandoned Mine Lands and Reclamation 601 57th Street, SE Charleston, WV 25304 304-926-0499 ext. 1475	Lydia Gashel Office of Surface Mining, Dept of Interior 3 Parkway Center Pittsburg, PA 15220 412-937-3007

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION

Signature of Award Official	Typed Name and Title	Date
Digital signature applied by WVDEP Award Official	Randy C. Huffman, Cabinet Secretary, WVDEP	06/10/2015

AFFIRMATION OF AWARD

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

Signature	Typed Name and Title	Date
	Chairman	18 June 2015

SWEEP RESOLUTION

WHEREAS, the Wilderness Public Service District (the "Issuer") is a public service district and public corporation of the State of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes or will make monthly debt service payments on and transfers reserve funds for the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer, thereby eliminating delay in payments and lost checks;

WHEREAS, the Issuer finds and determines that it is in the best interest of the Issuer, its customers and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic funds transfer with the State Treasurer sweeping the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, shall be made to the MBC by an electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

2) The Chairman and Secretary are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 30th day of July, 2015.

(Authorized Officer)

(Authorized Officer)

(Authorized Officer)

N-WIL-001
Resolution #12 (TWELVE)
July 30, 2015

RESOLUTION OF THE WILDERNESS PUBLIC SERVICE DISTRICT APPROVING INVOICES RELATING TO THE DESIGN AND CONSTRUCTION OF THE WHITE WATER ROAD INTERCONNECTION AND AUTHORIZING PAYMENT THEREOF

WHEREAS, the Wilderness Public Service District (the "District") has reviewed the invoices attached hereto and incorporated herein by reference relating to the White Water Road Interconnection Project to be financed by a Drinking Water Treatment Revolving Fund (DWTRF) Repayment Loan, a DWTRF Principal Forgiveness Loan, a WV DEP Abandoned Mine Lands (AML) Grant, & a WV Infrastructure & Jobs Development Council (IJDC) District 3 Grant, and finds as follows:

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE WILDERNESS PUBLIC SERVICE DISTRICT AS FOLLOWS:

There is hereby authorized and directed the payment of the attached invoices as summarized as follows:

VENDOR	Total	DWTRF Repayment Loan	DWTRF Principle Forgiveness	WV DEP AML	WV IJDC
Stafford Consultants, Inc.	$31,538.90	$31,538.90	$0.00	$0.00	$0.00
Wilderness Public Service District	$9,145.73	$9,145.73	$0.00	$0.00	$0.00
Region 4 Planning & Dev Council	$604.87	$604.87	$0.00	$0.00	$0.00
Tetra Tech Divisions	$4,838.91	$4,838.91	$0.00	$0.00	$0.00
Gregory A. Tucker PLLC	$688.98	$688.98	$0.00	$0.00	$0.00
Jackson Kelly PLLC	$18,000.00	$18,000.00	$0.00	$0.00	$0.00
TOTAL	$64,817.39	$64,817.39	$0.00	$0.00	$0.00

ADOPTED BY THE WILDERNESS PSD, at the meeting held on the 30th day of July, 2015.

By: _____
J. Alan Whittington, Chairman

WILDERNESS PUBLIC SERVICE DISTRICT

Engineering - Mapping (Stafford)	
	$1,000.00
	$2,000.00
Total	$3,000.00
Engineering - Final Design (Stafford)	
	$2,614.95
	$2,057.00
	$822.80
	$1,234.20
	$2,057.00
	$2,057.00
	$2,057.00
	$2,057.00
	$822.80
	$1,234.20
	$1,645.60
	$1,234.20
	$1,234.20
	$822.80
	$1,234.20
Total	$23,184.95
Engineering - Bidding or Negotiating (Stafford)	
	$2,250.00
	$450.00
Total	$2,700.00
Engineering - Additional Services (Stafford)	
	$29.00
	$362.50
	$316.50
Total	$708.00
Engineering - PSC/DWTRF Funding Application (Stafford)	
	$963.00
	$525.00
	$457.95
Total	$1,945.95

TOTAL STAFFORD CONSULTANTS **$31,538.90**

Miscellaneous - Legal Ads / Miscellaneous (Region 4 PDC - reimbursement)		
	$393.59	Advertisement for bids
	$89.21	Project Checking Account
Total	$482.80	
Project Administration (Region 4 PDC)		
	$122.07	
Total	$122.07	
TOTAL REGION 4 PDC		**$604.87**
Preparation of Asset Management Plan (Tetra Tech)		
	$4,838.91	
Total	$4,838.91	
Power Service Plant Site (Wilderness PSD - reimbursement)		
	$9,145.73	
Total	$9,145.73	
Legal - PSC (Gregory Tucker PLLC)		
	$688.98	
Total	$688.98	
Bond Counsel (Jackson Kelly)		
	$18,000.00	
Total	$18,000.00	
TOTAL INVOICES	**$64,817.39**	

Stafford Consultants, Inc.
P.O. Box 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511002
Date 06/04/2013

Period Ending: 05/31/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	50.00	16,456.00	20,570.00	20,570.00	50.00	4,114.00
Total	41,140.00	50.00	16,456.00	20,570.00	20,570.00	50.00	4,114.00

Invoice total 4,114.00

less amount paid Resolution #11 dated 5-21-15 -1,499.05

Approved by:

Edward L. Shutt

Total Balance Remaining $2,614.95

cc: *Region IV*

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511003
Date 07/02/2013

Period Ending: 06/30/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	55.00	20,570.00	22,627.00	18,513.00	45.00	2,057.00
Total	41,140.00	55.00	20,570.00	22,627.00	18,513.00	45.00	2,057.00

Invoice total 2,057.00

Approved by:

Edward L. Shutt

cc: *Lesley Taylor, Region IV*

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511004
Date 08/01/2013

Period Ending: 07/31/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description		Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN		41,140.00	57.00	22,627.00	23,449.80	17,690.20	43.00	822.80
	Total	41,140.00	57.00	22,627.00	23,449.80	17,690.20	43.00	822.80

Invoice total 822.80

Approved by:

Edward L. Shutt

cc: *Lesley Taylor, Region IV*

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511005
Date 09/04/2013

Period Ending: 08/31/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	60.00	23,449.80	24,684.00	16,456.00	40.00	1,234.20
Total	41,140.00	60.00	23,449.80	24,684.00	16,456.00	40.00	1,234.20

Invoice total 1,234.20

Approved by:

Edward L. Shutt

cc: *Lesley Taylor, Region IV*

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511006
Date 10/02/2013

Period Ending: 09/30/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description		Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN		41,140.00	65.00	24,684.00	26,741.00	14,399.00	35.00	2,057.00
	Total	41,140.00	65.00	24,684.00	26,741.00	14,399.00	35.00	2,057.00

Invoice total 2,057.00

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

STAFFORD CONSULTANTS, INC.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511007
Date 03/04/2014

Period Ending: 02/28/2014
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	70.00	26,741.00	28,798.00	12,342.00	30.00	2,057.00
Total	41,140.00	70.00	26,741.00	28,798.00	12,342.00	30.00	2,057.00

Invoice total **2,057.00**

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

STAFFORD CONSULTANTS, INC.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511008
Date 06/03/2014

Period Ending: 05/31/2014
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	75.00	28,798.00	30,855.00	10,285.00	25.00	2,057.00
Total	41,140.00	75.00	28,798.00	30,855.00	10,285.00	25.00	2,057.00

Invoice total 2,057.00

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

A CLIENT-CARING AND SERVING COMPANY

STAFFORD CONSULTANTS, INC.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

JUL 0 8 2014
REGION 4 PLANNING
DEVELOPMENT COUNC

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511009
Date 07/02/2014

Period Ending: 06/30/2014
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	80.00	30,855.00	32,912.00	8,228.00	20.00	2,057.00
Total	41,140.00	80.00	30,855.00	32,912.00	8,228.00	20.00	2,057.00

Invoice total **2,057.00**

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

A CLIENT-CARING AND SERVING COMPANY

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511010
Date 08/05/2014

Period Ending: 07/31/2014
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final-Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description		Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN		41,140.00	82.00	32,912.00	33,734.80	7,405.20	18.00	822.80
	Total	41,140.00	82.00	32,912.00	33,734.80	7,405.20	18.00	822.80

Invoice total 822.80

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

A CLIENT-CARING AND SERVING COMPANY

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511011
Date 09/02/2014

Period Ending: 08/31/2014
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	85.00	33,734.80	34,969.00	6,171.00	15.00	1,234.20
Total	41,140.00	85.00	33,734.80	34,969.00	6,171.00	15.00	1,234.20

Invoice total 1,234.20

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

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REGION 4 PLANNING &
DEVELOPMENT COUNCIL

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511012
Date 10/01/2014

Period Ending: 09/30/2014
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	89.00	34,969.00	36,614.60	4,525.40	11.00	1,645.60
Total	41,140.00	89.00	34,969.00	36,614.60	4,525.40	11.00	1,645.60

Invoice total 1,645.60

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511013
Date 11/03/2014

Period Ending: 10/31/2014
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	92.00	36,614.60	37,848.80	3,291.20	8.00	1,234.20
Total	41,140.00	92.00	36,614.60	37,848.80	3,291.20	8.00	1,234.20

Invoice total 1,234.20

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511014
Date 12/03/2014

Period Ending: 11/30/2014
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	95.00	37,848.80	39,083.00	2,057.00	5.00	1,234.20
Total	41,140.00	95.00	37,848.80	39,083.00	2,057.00	5.00	1,234.20

Invoice total **1,234.20**

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511015
Date 01/06/2015

Period Ending: 12/31/2014
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	97.00	39,083.00	39,905.80	1,234.20	3.00	822.80
Total	41,140.00	97.00	39,083.00	39,905.80	1,234.20	3.00	822.80

Invoice total 822.80

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711511016
Date 02/03/2015

Period Ending: 01/31/2015
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.11 Wilderness PSD Final Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Final Design Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
FINAL DESIGN	41,140.00	100.00	39,905.80	41,140.00	0.00	0.00	1,234.20
Total	41,140.00	100.00	39,905.80	41,140.00	0.00	0.00	1,234.20

Invoice total 1,234.20

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711507001REVISE
Date 07/02/2013

Period Ending: 06/30/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.07 Wilderness PSD Mapping For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Mapping Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description		Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
MAPPING		3,000.00	33.33	0.00	1,000.00	2,000.00	66.67	1,000.00
	Total	3,000.00	33.33	0.00	1,000.00	2,000.00	66.67	1,000.00

Invoice total 1,000.00

Approved by:

Edward L. Shutt

cc: Region IV

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740
(304) 425-9555

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711507002REVISE
Date 07/02/2013

Period Ending: 06/30/2013
Project 087115 WILDERNESS PSD (087115)

Project 08-7115.07 Wilderness PSD Mapping For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Mapping Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
MAPPING	3,000.00	100.00	1,000.00	3,000.00	0.00	0.00	2,000.00
Total	3,000.00	100.00	1,000.00	3,000.00	0.00	0.00	2,000.00

Invoice total **2,000.00**

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
Engineering, Design, and Consulting
Post Office Box 5849 Princeton, West Virginia 24740
Phone: 304-425-9555 Fax: 304-425-9557

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711515001
Date 05/05/2015

Period Ending: 04/30/2015
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.15 Wilderness PSD Bidding and Negotiating For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Bidding and Negotiating Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
BIDDING OR NEGOTIATING	15,000.00	15.00	0.00	2,250.00	12,750.00	85.00	2,250.00
Total	15,000.00	15.00	0.00	2,250.00	12,750.00	85.00	2,250.00

Invoice total **2,250.00**

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
Engineering, Design, and Consulting
Post Office Box 5849 Princeton, West Virginia 24740
Phone: 304-425-9555 Fax: 304-425-9557

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711515003
Date 07/01/2015

Period Ending: 06/30/2015
Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.15 Wilderness PSD Bidding and Negotiating For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Bidding and Negotiating Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Remaining	Remaining Percent	Current Billed
BIDDING OR NEGOTIATING	15,000.00	98.00	14,250.00	14,700.00	300.00	2.00	450.00
Total	15,000.00	98.00	14,250.00	14,700.00	300.00	2.00	450.00

Invoice total **450.00**

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number	711521001
Date	01/02/2014
Period Ending	12/31/2013

Project 087115 WILDERNESS PSD (087115)

Project 08-7115.21 Wilderness PSD Additional Services Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Additional Services Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Prior Billed	Total Billed	Current Billed
21 ADDITIONAL SERVICES	2,000.00	0.00	29.00	29.00
Total	2,000.00	0.00	29.00	29.00

Labor

Additional Services

	Hours	Rate	Billed Amount
Reggie K. Kemp			
50-GRAPHICS	0.50	58.00	29.00
		Invoice total	29.00

Approved by:

Edward L. Shutt

cc: Lesley Taylor

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740

Wildemess Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711521002
Date 12/03/2014
Period Ending 11/30/2014

Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.21 Wildemess PSD Additional Services Design For engineering services in accordance with our agreement dated January 30, 2009 between Wildemess PSD and Stafford Consultants, Inc. for work performed under the Additional Services Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Prior Billed	Total Billed	Current Billed
21 ADDITIONAL SERVICES	2,000.00	29.00	391.50	362.50
Total	2,000.00	29.00	391.50	362.50

Labor
Additional Services

	Hours	Rate	Billed Amount
Kevin G. Smith			
30-GRAPHICS	6.00	60.00	360.00

Expense
Additional Services

	Billed Amount
70.55-COPIES (8 1/2 x 11)	
Non Vendor Expense	2.50
Invoice total	362.50

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number	711521003
Date	01/06/2015
Period Ending	12/31/2014

Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.21 Wilderness PSD Additional Services Design For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Additional Services Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Prior Billed	Total Billed	Current Billed
21 ADDITIONAL SERVICES	2,000.00	391.50	708.00	316.50
Total	2,000.00	391.50	708.00	316.50

Labor

Additional Services

	Hours	Rate	Billed Amount
Kevin G. Smith			
30-GRAPHICS	5.25	60.00	315.00

Expense

Additional Services

	Billed Amount
70.61-COPIES (11 x 17)	
Non Vendor Expense	1.50
Invoice total	316.50

Approved by:

Edward L. Shutt

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REGION 4 PLANNING &
DEVELOPMENT COUNCIL

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
P.O. Box 5849
1105 Mercer Street
Princeton, WV 24740

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number 711543001
Date 11/05/2013
Period Ending 10/31/2013

Project 087115 WILDERNESS PSD (087115)

Project 08-7115.43 Wilderness PSD Funding Applications For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Funding Application Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Prior Billed	Total Billed	Current Billed
43 PSC/DWTRF FUNDING APPLICATION	2,000.00	0.00	963.00	963.00
Total	2,000.00	0.00	963.00	963.00

Labor

PSC/DWTRF Funding Application

	Hours	Rate	Billed Amount
Edward L. Shutt			
30-OTHER (SPECIFY)	6.00	150.00	900.00
Howard Berry			
11-CONFERENCES/STAFF SUPERVISION	0.75	84.00	63.00
Labor subtotal	6.75		963.00
		Invoice total	963.00

Approved by:

Edward L. Shutt

cc: Lesley Taylor

Stafford Consultants, Inc.
P.O. BOX 5849
Princeton, WV 24740

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number	711543002
Date	04/01/2015
Period Ending	03/31/2015

Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.43 Wilderness PSD Funding Applications For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Funding Application Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description	Contract Amount	Prior Billed	Total Billed	Current Billed
43 PSC/DWTRF FUNDING APPLICATION	2,000.00	963.00	1,488.00	525.00
Total	2,000.00	963.00	1,488.00	525.00

Labor

PSC/DWTRF Funding Application

	Hours	Rate	Billed Amount
Edward L. Shutt			
30-OTHER (SPECIFY)	1.50	150.00	225.00
34-OTHER (SPECIFY)	2.00	150.00	300.00
Subtotal	3.50		525.00
Labor subtotal	3.50		525.00
		Invoice total	525.00

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

Stafford Consultants, Inc.
Engineering, Design, and Consulting
Post Office Box 5849 Princeton, West Virginia 24740
Phone: 304-425-9555 Fax: 304-425-9557

Wilderness Public Service District
Attention: Debbie Gilbert
P.O. Drawer 37
Mt. Nebo, WV 26679

Invoice number	711543004
Date	07/01/2015
Period Ending	06/30/2015

Project 087115 WILDERNESS PSD (087115)

A CLIENT-CARING AND SERVING COMPANY

Project 08-7115.43 Wilderness PSD Funding Applications For engineering services in accordance with our agreement dated January 30, 2009 between Wilderness PSD and Stafford Consultants, Inc. for work performed under the Funding Application Phase in connection with the Whitewater Interconnection Extension Project.

Invoice Summary

Description		Contract Amount	Prior Billed	Total Billed	Current Billed
43 PSC/DWTRF FUNDING APPLICATION		2,000.00	1,866.50	2,324.45	457.95
	Total	2,000.00	1,866.50	2,324.45	457.95

Labor

PSC/DWTRF Funding Application

	Hours	Rate	Billed Amount
Edward L. Shutt			
50-OTHER (SPECIFY)	2.25	150.00	337.50
Elizabeth R. Wright			
50-TYPING/CLERICAL	0.75	38.00	28.50
Labor subtotal	3.00		366.00

Expense

PSC/DWTRF Funding Application

	Billed Amount
70.01-PERSONAL CAR MILEAGE - REIMBURSEABLE PROJECTS	
Edward L. Shutt	55.20
70.28-TOLLS-REIMBURSEABLE PROJECTS	
Edward L. Shutt	6.00
70.55-COPIES (8 1/2 x 11)	
Non Vendor Expense	30.75
Expense subtotal	91.95
Invoice total	457.95

Approved by:

Edward L. Shutt

cc: Lesley Taylor, Region IV

TAX PARCEL NO. 9-27-7.1
GRW 261 - OH - WV

Eas No. _____ R/W Map No. 3881-423-C
W.O. No. W002512801 Job No. 14950170 Prop. No. 1
STS # 55990349 Line _____

THIS AGREEMENT, made this _____ day of _____, 20___,
by and between WILDERNESS PUBLIC SERVICE DISTRICT

herein called "Grantors", whether one or more persons, and APPALACHIAN POWER COMPANY, a Virginia corporation, herein called "Appalachian",

WITNESSETH:

That for and in consideration of the sum of One Dollar ($1.00), cash in hand paid to Grantors by Appalachian, the receipt whereof is hereby acknowledged, Grantors hereby grant, convey, and warrant to Appalachian, its successors, assigns, lessees and tenants, a right of way and easement for an electric power line or lines, and communication lines, in, on, along, through, over, and across the following described lands of the Grantors situated in WILDERNESS District, County of NICHOLAS, State of West Virginia.

Being a right of way and easement on the property of the Grantors identified as NICHOLAS County, Tax Parcel No. 9-27-7.1.

This easement extends in a WESTERLY direction from
Appalachian's existing POLE numbered 423-C-8
approximate GPS location being N. 38.1370 W. -80.8854
to and including new POLE numbered 423-C-90
approximate GPS location being N. 38.1370 W. -80.8856.

Said right of way and easement shall be as shown on Exhibit "A" attached hereto and made a part hereof.

TOGETHER with the right, privilege and authority to Appalachian, its successors, assigns, lessees and tenants, to construct, erect, install, place, operate, maintain, inspect, repair, renew, remove, add to the number of, and relocate at will, poles, with wires, cables, crossarms, guys, anchors, grounding systems and all other appurtenant equipment and fixtures (hereinafter called "Appalachian's Facilities"), and string wires and cables, adding thereto from time to time, across, through, or over the above referred to premises; the right to cut down, trim and/or otherwise control, and at Appalachian's option, remove from said premises, any trees, overhanging branches, buildings, or other obstructions which may endanger the safety of, or interfere with the use of, Appalachian's Facilities; and the right of ingress and egress to and over said above referred to premises, and any of the adjoining lands of the Grantors at any and all times, for the purpose of exercising and enjoying the rights herein granted, and for doing anything necessary or useful or convenient in connection therewith.

It is understood and agreed between the parties hereto, that the Grantors reserve the right to use said lands in any way not inconsistent with the rights herein granted.

TO HAVE AND TO HOLD the same unto Appalachian Power Company, its successors, assigns, lessees and tenants.

THIS INSTRUMENT PREPARED BY AND UPON RECORDATION RETURN TO
APPALACHIAN POWER COMPANY, P O BOX 2021, ROANOKE, VIRGINIA 24022

62396S0708

Power Drop for Sludge Bldg

It is agreed that the foregoing is the entire contract between the parties hereto, and that this written agreement is complete in all its terms and provisions.

WITNESS the following signatures and seals.

WILDERNESS PUBLIC SERVICE DISTRICT (SEAL) _____ (SEAL)

BY: _____ (SEAL) _____ (SEAL)

ITS: Board Member (SEAL) _____ (SEAL)

_____ (SEAL) _____ (SEAL)

STATE OF West Virginia)
) To-wit:
COUNTY OF Nicholas)

The foregoing instrument was acknowledged before me this 6th day of January, 20 15, by W. Dave Sizemore

(print or type exact name of each person who signed above)

(Notarial Seal If Applicable)

OFFICIAL SEAL
STATE OF WEST VIRGINIA
NOTARY PUBLIC
DEBBIE A. GILBERT
534 MEADOW SIDE RD.
SUMMERSVILLE, WV 26651
My commission expires November 16, 2018

Debbie Gilbert
Notary Public / Commissioner

My Commission expires:

Nov. 16, 2018

(For W. Va. Only)

DECLARATION OF CONSIDERATION OF VALUE

Under the penalties of fine and imprisonment as provided by law the undersigned (grantee) hereby declares the total consideration for the property transferred by this document is ($ 1.00).
Given under my hand this _____ day of _____, 20 ___ .

APPALACHIAN POWER COMPANY

By A. V. BRYSON

(For W. Va. Only)

THIS INSTRUMENT PREPARED

By A. V. BRYSON

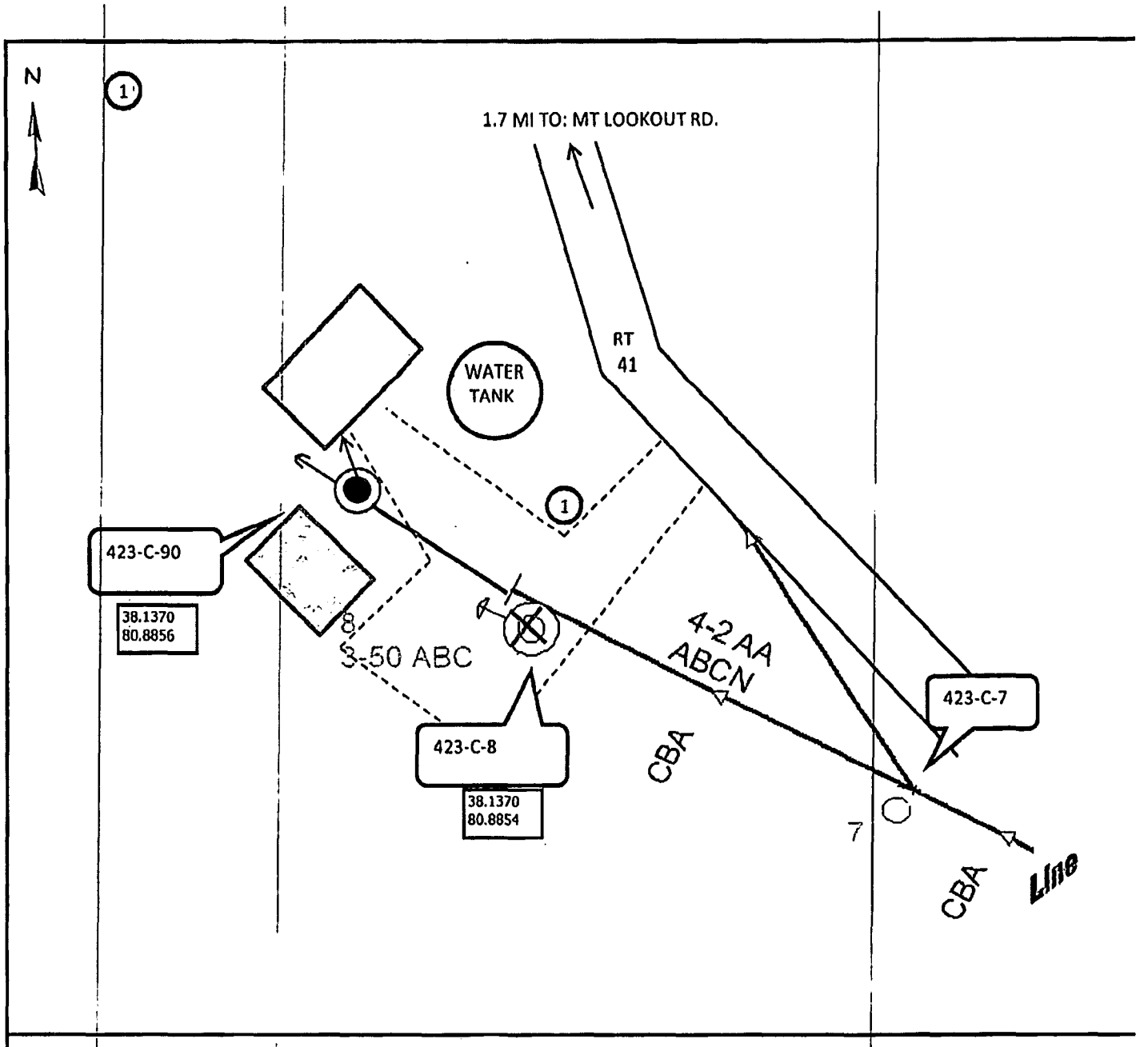


EXHIBIT A

APPALACHIAN POWER COMPANY

STATE:	West Virginia
COUNTY:	FAYETTE
TOWNSHIP:	
DRAWN BY:	A. V. BRYSON

WILDERNESS PUBLIC
SERVICE DISTRICT
P.O. BOX 37
MT. NEBO, WV 26679

Branch Banking and Trust Company
SUMMERSVILLE, WV 25561

69-338/515
22701

DATE	CHECK NO.	AMOUNT
1/06/15	023,321	$9,145.73

** NINE THOUSAND ONE HUNDRED FORTY FIVE AND 73/100 DOLLARS **

PAY TO THE ORDER OF

AMERICAN ELECTRIC POWER
APPALACHIAN POWER CIAC
PO BOX 11923
CHARLESTON WV 25339-9928

AUTHORIZED SIGNATURE

⑈023321⑈ ⑆051503394⑆ 5272326845⑈

VENDOR NUMBER	VENDOR NAME	CHECK DATE	CHECK NUMBER
999,990	AMERICAN ELECTRIC POWER	1/06/15	023,321

DESCRIPTION	INVOICE DATE	REFERENCE	AMOUNT
RELOCATE 3 PHASE TRANSFORMER POLE(PLANT)	1/06/15	DWMS 252024	9,145.73
Check# 23,321 Amount - $9,145.73			

LEASE >>
DETACH >>
STUB >>
AND >>
RETURN >>
WITH >>
PAYMENT >>

Please remit To:
American Electric Power
Appalachian Power CIAC
PO Box 11923
Charleston, WV 25339-9928

Bill To:
WILDERNESS P S D

Company No: 140
Contract No: DWMS00000252024
Customer No:
Date: 12/3/2014
Amount Due: 9,145.73

Amount Remitted: $ 9145.73

Contract No: DWMS00000252024
Date: 12/3/2014

PRO FORMA

Customer No:
Purchase Order: 55990349

Description	Quantity	UOM	Init Amt	Net Amount
RELOCATE 3 PHASE DEAD-END TRANSFORMER POLE.	1.0	EA	9,145.73	9,145.73

Amount Due: 9,145.73

Appalachian Power Company - WV

Contribution-In-Aid-Of-Construction Agreement
For Electric Distribution Service

WILDERNESS P S D
Service: 6382 WILDERNESS HWY
MOUNT LOOKOUT, WV

Contract #: DWMS00000252024 Work Request #: 55990349

Date: 12/3/2014

The Customer has requested the installation of electric distribution facilities (hereinafter referred to as "Basic Service") as follows: RELOCATE 3 PHASE DEAD-END TRANSFORMER POLE.

Additionally, the Customer has requested Premium Service as follows:

Appalachian Power Company - WV (hereinafter referred to as "Company") agrees to RELOCATE FACILITIES.

Customer agrees to PROVIDE RIGHT-OF-WAY AND PAY A-T-C.

In accordance with the Company's terms and conditions as filed with the West Virginia Public Service Commission the Customer agrees to pay Appalachian Power Company - WV as follows.

1. $9,145.73 is the total up-front Contribution-In-Aid-Of-Construction.

All facilities installed by the Company will be and remain property of the Company. The Company expressly retains the right to use said lines and equipment for any purpose which Company deems advisable, including the distribution of electric service to other customers.

It is understood and agreed that the Company will not begin facilities construction until all Contribution-In-Aid-Of-Construction costs for Basic and Premium Services outlined above are received by the Company.

It is understood and agreed that this agreement, and particularly the amounts of the Contribution-In-Aid-Of-Construction contained herein, are based on the specifics of the Customer's request for distribution electric facilities.

Other utilities may have lines and/or equipment that utilize American Electric Power's pole or other facilities. American Electric Power is not responsible for the installation, relocation or removal of lines and/or equipment owned by other utilities at this location. Each utility is responsible for its own equipment and the time it takes to install, remove or relocate it. Any fees charged by other utilities are the responsibility of the customer, not American Electric Power. The customer is responsible for contacting the other utilities and making arrangements with them for any work that must be done to facilitate this contract.

If the Customer's request for facilities is altered or the Customer requests a delay or otherwise is unable to take service by 03/03/2015, the Company reserves the right to adjust the amount of the Contribution-In-Aid-Construction to reflect either the alteration in requested facilities or the delay in service, or both. All dates for commencement and completion of construction are estimates only and do not represent guaranteed dates.

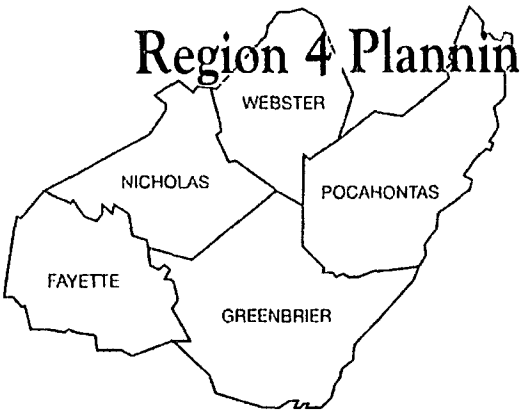
Nothing herein contained shall be construed as a waiver or relinquishment by Company or any right it has or may hereafter have to discontinue service for or on account of default in the payment of any bill owing or to become owing thereunder or for any reason or cause stated in the Company's Tariff.

The quoted price will be valid until 03/03/2015

By signing and returning this Agreement, Customer agrees to accept the above described terms and conditions.

Customer		Company	
By	Wilderness PSD	By	APCo
Signature:	Debbie Gilbert	Signature:	A. V. Bryson
Title:	Exec. Sec.	Title:	Eng. Tech.
Date:	1/6/15	Date:	12.3.14

Region 4 Planning and Development Council



(304) 872-4970
Fax: 872-1012

January 1, 2015 through January 31, 2015

Wilderness PSD - Interconnect
% Region 4 Planning & Development Council
885 Broad Street, Suite 100
Summersville, WV 26651

PROJECT ADMINISTRATION

For month of:	January	Totals
Personnel:		
Fringe Benefits:		
Retirement		
Liability Insurance:		
Insurance		
FICA		
Unemployment		
Workers Compensation		
Travel:		
Equipment		
Supplies:		
Equipment R&R		
Other:		
Rent:		
Utilities:		
Phone:	122.07	122.07
Other (direct)		
Misc. (indirect)		
Totals:	122.07	122.07

John W. Tuggle
Executive Director

003097- A/R
030100-Income

Tetra Tech Divisions
A Division of Tetra Tech, Inc.
3475 E. Foothill Blvd.
Pasadena, CA 91107
(626) 351-4664

Bill To: WILDERNESS PUBLIC SERVICE DISTRICT
ATTN: ALAN WHITTINGTON
589 RIVIERA ROAD
MOUNT NEBO, WV 26679

INVOICE NUMBER:	50862532
INVOICE DATE:	12/03/2014
REFERENCE:	
FEDERAL TAX ID#:	95-4148514
PROJECT:	100-CHS-T32324
BILLING PERIOD FROM:	INCEPTION
BILLING PERIOD TO:	11/21/2014

Contract#: Dated 2/24/2014
PROFESSIONAL SERVICES:
WILDERNESS PSD AM

CONTRACT VALUE	PERCENTAGE COMPLETE	AMOUNT PREVIOUSLY BILLED	TOTAL AMOUNT DUE
$31,800.00	15.22%	$0.00	$4,838.91

Please Pay This Amount: $4,838.91

Gross Contract Summary	
Contract Amount	$31,800.00
Previously Billed	$0.00
Current Billing	$4,838.91
Total Billed to Date	$4,838.91
Contract Balance Remaining	$26,961.09

FOR FURTHER INFORMATION, PLEASE CONTACT THE UNDERSIGNED.

REMIT PAYMENT TO:

Wells Fargo Bank
ROUTING TRANSIT #121000248
TETRA TECH ACCOUNT #41331-60325

OR

Tetra Tech Divisions
PO BOX 911654
DENVER, CO 80291-1654

To ensure accurate posting, please note the invoice number on your check. Interest will be charged on all past-due amounts per contract terms and conditions.

Nicholas Printing, Inc.
1109 Broad Street
Summersville, WV 26651

Phone: 304-872-5906 • *Fax:* 304-872-5923
npiprinting@frontier.com • www.nicholasprinting.com

Invoice

No: 26863 | **Date: 09/30/13**

SHIP TO:

Region 4 Planning & Development Council
885 Broad Street, Suite 100
Summersville WV 26651

TERRI PRICE
Wilderness Public Service District
Construction Trust Fund
885 Broad Street, Suite 100
Summersville, WV 26651

Acct.No	Ordered by	Phone	P.O. No	Prepared by	Sales Rep	Ship Via
2166	TERRI PRICE	304-872-4970 X 12		Janie	Rodney	Customer Pickup

Quantity	Description	Unit Price	Price
250	GPC-4909 LASER CHECKS (Blue)	0.3568/Ea	89.21
	Thank you for doing business with us.	Subtotal	89.21
		Shipping	0.00
		Postage	0.00
		Tax	0.00
		TOTAL	89.21
		Paid	0.00
		BALANCE	**89.21**
	Received by _____ Date _____	Terms	Net 30 Days

A Finance Charge of 1.5% Per Month (18% Per Year) Will Be Added To Balances After 30 Days.

CHARLESTON NEWSPAPERS
P.O. Box 2993
Charleston, West Virginia 25330
Billing 348-4898
Classified 348-4848
1-800-WVA-NEWS

LEGAL ADVERTISING INVOICE

INVOICE DATE	04/30/15
ACCOUNT NBR	052965102
SALES REP ID	0022
INVOICE NBR	949264001

BILLED TO
WILDERNESS PSD
P.O. BOX 37
MOUNT NEBO WV 26679 USA

Please return this portion with your payment.
AMOUNT PAID: 393.59
Make checks payable to: Charleston Newspapers

CHARLESTON NEWSPAPERS
P.O. Box 2993
Charleston, West Virginia 25330
Billing 348-4898
Classified 348-4848
1-800-WVA-NEWS
FEIN 55-0676079

INVOICE DATE	04/30/15
ACCOUNT NBR	052965102
SALES REP ID	0022
INVOICE NBR	949264001

Legal pricing is based upon 63 words per column inch.
Each successive insertion is discounted by 25% of the first insertion rate.
The Daily Mail rate is $.13 per word, the Charleston Gazette rate is $.14 per word, and the Metro Putnam rate is $.13 per word.

ISSUE DATE	AD TYPE	PUB	DESCRIPTION / REFERENCE NBR PURCHASE ORDER #	AD NUMBER	AD SIZE / TOTAL RUN	RATE	GROSS AMOUNT	NET AMOUNT
04/22	LEGF	GZ	ADVERTISEMENTFORBIDS	0596745	2X1275			
			949264001		25.50	8.82	224.91	224.91
04/29	LEGR	GZ	ADVERTISEMENTFORBIDS		2X1275			
			949264002		25.50	8.82	224.91	
			LEGAL DISCOUNT 25%				56.23-	168.68
			TOTAL INVOICE AMOUNT					393.59

State of West Virginia,

AFFIDAVIT OF PUBLICATION

I, Lisa Hamilton of THE CHARLESTON GAZETTE, do solemnly swear that the legal notice of:
ADVERTISEMENTFORBIDSOWNE
was duly published in said newspaper(s) at the stated price for the respective newspaper(s) and during the dates listed below:
04/22/15-04/29/15

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
MARY C. SMITH
871 SOUTH WASHINGTON ST.
ST. ALBANS, WV 25177
My commission expires June 16, 2019

Subscribed and sworn to before me this 1ST day of May, 2015

Mary C Smith
Notary Public of Kanawha County, West Virginia

The **BIDDER** agrees to make "good faith efforts" to sub-contract a portion of the total value of the contract to Disadvantaged businesses. This shall be done in compliance with the six (6) good faith efforts as outlined in 40 CFR 31.36(e). Failure to demonstrate good faith efforts may lead to relection of bids. For the purpose of this program, the term "subcontractor" includes all construction, modification, and service work contracted for by the bidder in the execution of the work under this contract.

BIDDERS must comply with the requirements for Affirmative Action and Minority Business Enterprises participation as described in the Federal Specifications insert to the **CONTRACT DOCUMENTS**. Special provisions will be made by the **BIDDER** to show what portions of the **BID** within each Division are supported by Minority Business Enterprise work. In addition, **BIDDERS** may obtain, upon request, information concerning local MBE firms.

Notice is hereby given that the Wilderness Public Service District has adopted goals for minority and female participation in the project work force. These goals are as follows:

Female Participation:	6.9 percent
Minority Participation:	4.2 percent

A **MANDATORY** pre-bid conference will be held on May 14, 2015 at 10:00 am (LPT) at the Wilderness Public Service District in Mt. Nebo, West Virginia.

In the early afternoon following the conference, a field review of the project will be held for interested **BIDDERS**.

A five percent (5%) BID BOND must accompany all **BIDS**.

All **BIDDERS** must hold a current West Virginia Contractor's License on the date of bid opening.

BIDDERS must comply with Title VI of the Civil Rights Act of 1964, the Davis-Bacon Wage Rates, the Copeland Anti-Kickback Act, the Contract Work Hours and Safety Standards Act, and the West Virginia Division of Labor Wage Rates.

The Wilderness Public Service District may reject any and all bids in accordance with West Virginia Code.

Bidders must comply with the "American Iron and Steel (AIS) requirements of Section 436 of P.L. 113-76, Consolidated Appropriations Act, 2014 (Act).

For the purpose of clarification, it is understood that the work to be done is being financed in whole or in part by means of a grant through a West Virginia

ADVERT[illegible]R BIDS

OWNER:
Wilderness Public Ser[illegible]
P.O. Box 37
Mt. Nebo, WV 26679

ENGINEER:
Stafford Consultants, Inc.
P.O. Box 5849
Princeton, West Virginia 24740

Separate sealed BIDS for the construction of:

CONTRACT NO. 1 - Will consist of construction of approximately 7,708 L.F. of 6" PVC AWWA CL 200, 100 L.F. of 6" PVC ASTM CL 160, 3,085 L.F. of 8" PVC ASTM CL 160, valves, hydrants, service lines, meters with pressure reducing valves, disconnect/reconnect meter settings, 100 gallon per minute booster station, telemetry system, emergency generator, fencing, and all appurtenances.

CONTRACT NO. 2 - Will consist of construction of a 100,000 gallon storage tank and foundation, two hydro Dynamic Mixing Systems, fencing, 320 L.F. 8" PVC ASTM CL 160, master meter vault, fire hydrant, site grading, piping, and all appurtenances.

CONTRACT NO. 3 - Will consist of site grading, piping, pre-sedimentation basin modification, 100,000 gallon cast in place concrete tank, 1,200 square foot Pre-Engineering metal building, 10 cubic foot Filter Frame Press and accessories, and all appurtenances.

will be received by Wilderness Public Service District at Mt. Nebo, West Virginia until 11:00 a.m., (local prevailing time) May 29, 2015 and then at said office publicly opened and read aloud.

The **BIDDING DOCUMENTS** may be examined at the following locations:

Stafford Consultants, Inc.
1105 1/2 Mercer Street
P.O. Box 5849
Princeton, WV 24740

Contractors Association of WV
2114 Kanawha Boulevard, East
Charleston, WV 25301

F.W. Dodge Co. Plan Room
McGraw Hill Info. System Inc.
3315 Central Avenue
Hot Springs, AR 71913-6138

Copies of the **BIDDING DOCUMENTS** may be obtained at the office of Stafford Consultants, Inc. located

REGION 4 PLANNING & DEVELOPMENT COUNCIL

4493

Charleston Newspapers		5/18/2015	
003097 · Wilderness PSD/Water - Acct R	Non-Admin. Expense Wilderness PSD (N-WIL-001) Advertisement For Bids / Construction		393.59

Community Trust Ban Invoice: 949264001, dated 04/30/2015 393.59

Gregory A. Tucker, P.L.L.C.
719 Main Street
Summersville, WV 26651

May 20, 2015
Invoice Number: 1021

Re: Whitewater Road Interconnect Project - PSC Work

Wilderness Public Service District
P.O. Box 37
Mt. Nebo, WV 26679

Date	Description	Hours	Rate	Tax	Total
	Previous Balance				**$0.00**
2/13/2015	Copies of Certificate of Convenience & Necessity & Notice of Filing		1410 @ $0.10	$0.00	$141.00
2/13/2015	Copies of Notice of Filing		60 @ $0.10	$0.00	$6.00
2/13/2015	Prep of Certificate of Convenience & Necessity & Notice of Filing	2.50	$140.00	$0.00	$350.00
2/13/2015	Preparation of Notice of Filing	1.00	$140.00	$0.00	$140.00
2/18/2015	Receipt and review of docs from Stafford for PSC filing	0.25	$140.00	$0.00	$35.00
2/23/2015	Receipt and review of Commission Order	0.25	$140.00	$0.00	$35.00
2/26/2015	Receipt and review of Revised Commission Order	0.25	$140.00	$0.00	$35.00
3/10/2015	Copies of letter to PSC w/ Finding of No Significant Impact		210 @ $0.10	$0.00	$21.00
3/10/2015	Preparation of letter to PSC w/ Finding of No Significant Impact	0.25	$140.00	$0.00	$35.00
3/12/2015	Receipt and review of Interrogatories from PSC	0.25	$140.00	$0.00	$35.00
3/13/2015	Publication fee to newspaper for Notice of Filing			$0.00	$207.48
3/16/2015	Copies of Letter to PSC with Publication Affidavit		45 @ $0.10	$0.00	$4.50
3/16/2015	Letter to PSC with Publication Affidavit	0.25	$140.00	$0.00	$35.00
3/23/2015	Copies of letter to PSC with Certificate of Mailing		30 @ $0.10	$0.00	$3.00
3/23/2015	Copies of letter to PSC with permits		60 @ $0.10	$0.00	$6.00
3/23/2015	Prep of letter to PSC with Certificate of Mailing	0.25	$140.00	$0.00	$35.00
3/23/2015	Prep of letter to PSC with permits	0.25	$140.00	$0.00	$35.00
3/25/2015	Copies of ltr to PSC and Response to Interrogatories		120 @ $0.10	$0.00	$12.00
3/25/2015	Prep of ltr to PSC and Response to Interrogatories	0.75	$140.00	$0.00	$105.00
3/31/2015	Copies of letter to PSC and Request for Extension		45 @ $0.10	$0.00	$4.50
3/31/2015	Prep of letter to PSC and Request for Extension	0.50	$140.00	$0.00	$70.00
4/17/2015	Copies of letter to PSC & Supplemental Response to Interrogatories		280 @ $0.10	$0.00	$28.00
4/17/2015	Prep of letter to PSC & Supplemental Response to Interrogatories	0.50	$140.00	$0.00	$70.00
5/5/2015	Receipt and review of Final Joint Staff Memorandum from PSC	0.50	$140.00	$0.00	$70.00
5/7/2015	Receipt and review of Procedural Order from PSC	0.25	$140.00	$0.00	$35.00

Date	Description	Hours	Rate	Tax	Total
	Amount Due	8.00			$1,553.48

$ 864.50 paid on Res #11

Balance due $688.98

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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INVOICE

EMPLOYER I.D. NO. 550394215

August 12, 2015

6154/303

Wilderness Public Service District
PO Box 37
Mount Nebo, WV 26679
ATTN: Mr. L. Alan Whittington, Chairman

Re: Wilderness Public Service District
Water Revenue Bonds, Series 2015 A
(West Virginia DWTRF Program); and
Water Revenue Bonds, Series 2015 B
(West Virginia DWTRF Program)

For legal fees and expenses rendered serving as bond counsel for the above-referenced transaction.

FEES & EXPENSES: $18,000.00

TOTAL STATEMENT: $18,000.00

Wiring Instructions:

Jackson Kelly PLLC
1600 Laidley Tower
500 Lee Street
PO Box 553
Charleston, WV 25301

Bank Name	Branch Banking & Trust
ABA Number	051503394
Account Number	5172879588
Reference Information:	6154/303

EXPENDITURE SCHEDULE	WILDERNESS PSD WHITEWATER RD INTERCONNECT						N-WIL-001
DWTRF Design Loan Principal Forgiveness 14DWTRFA007D	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	July 30, 2015 Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 1							
AML Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Mt Lookout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Contract 2							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 3							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Contingency							
a. Construction & Other Contingencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Engineering							
a. Study & Report 7115.02	5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00	0.00
b. Soils Investigation 7115.04	9,000.00	-9,000.00	0.00	0.00	0.00	0.00	0.00
c. Property Survey 7115.06	7,000.00	-1,814.23	5,185.77	5,185.77	0.00	5,185.77	0.00
d. Mapping 7115.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Preliminary Design 7115.08	60,000.00	5,000.00	65,000.00	65,000.00	0.00	65,000.00	0.00
f. Easement Maps 7115.09	1,150.00	2,536.24	3,686.24	3,686.24	0.00	3,686.24	0.00
g. Final Design 7115.11	11,304.00	6,651.05	17,955.05	17,955.05	0.00	17,955.05	0.00
h. Bidding or Negotiating 7115.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i. Construction Phase 7115.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Resident Project Representative 7115.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Add'l Services - 7115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
l. Record Drawings 7115.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.00	13,789.94	13,789.94	13,789.94	0.00	13,789.94	0.00
o. PSC & Funding Apps 7115.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
p. Asset Management Plan (TetraTech)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Administrative Technical Services							
a. Project Accountant	4,000.00	0.00	4,000.00	4,000.00	0.00	4,000.00	0.00
b. Project Administration	10,000.00	0.00	10,000.00	10,000.00	0.00	10,000.00	0.00
5. Legal Services							
a. PSC Attorney	3,500.00	0.00	3,500.00	3,500.00	0.00	3,500.00	0.00
b. Lands/ROW Attorney	5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00	0.00
6. Lands & ROWs							
a. Tank Site	10,000.00	-8,750.00	1,250.00	1,250.00	0.00	1,250.00	0.00
b. Booster Station Site	7,500.00	-6,500.00	1,000.00	1,000.00	0.00	1,000.00	0.00
c. Plant Site	5,000.00	1,157.00	6,157.00	6,157.00	0.00	6,157.00	0.00
d. Easements	2,000.00	-2,000.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	2,000.00	400.00	2,400.00	2,400.00	0.00	2,400.00	0.00
7. Permits							
a. Bureau for Public Health	300.00	-300.00	0.00	0.00	0.00	0.00	0.00
b. WV Dept of Highways	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. WVNPDES - Stormwater Permit	1,170.00	-1,170.00	0.00	0.00	0.00	0.00	0.00
d. Highway Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. Miscellaneous							
a. Power Service Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Power Service Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Legal Ads / Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Cost of Financing							
a. Bond Counsel	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Registrar's Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	**143,924.00**	**0.00**	**143,924.00**	**143,924.00**	**0.00**	**143,924.00**	**0.00**

EXPENDITURE SCHEDULE	WILDERNESS PSD WHITEWATER RD INTERCONNECT						N-WIL-001
							July 30, 2015
DWTRF Repayment Loan	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	23,500.00	0.00	23,500.00	0.00	0.00	0.00	23,500.00
b. Contract 1							
AML Eligible Whitewater Rd	157,560.50	0.00	157,560.50	0.00	0.00	0.00	157,560.50
AML Non-Eligible Whitewater Rd	302,100.00	0.00	302,100.00	0.00	0.00	0.00	302,100.00
AML Non-Eligible Mt Lookout	187,285.00	0.00	187,285.00	0.00	0.00	0.00	187,285.00
c. Contract 2							
AML Non-Eligible	337,916.00	0.00	337,916.00	0.00	0.00	0.00	337,916.00
b. Contract 3							
AML Non-Eligible	542,185.00	0.00	542,185.00	0.00	0.00	0.00	542,185.00
2. Contingency							
a. Construction & Other Contingencies	12,506.97	0.00	12,506.97	0.00	0.00	0.00	12,506.97
3. Engineering							
a. Study & Report 7115.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Soils Investigation 7115.04	9,000.00	0.00	9,000.00	0.00	0.00	0.00	9,000.00
c. Property Survey 7115.06	4.23	0.00	4.23	0.00	0.00	0.00	4.23
d. Mapping 7115.07	3,000.00	0.00	3,000.00	0.00	3,000.00	3,000.00	0.00
e. Preliminary Design 7115.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Easement Maps 7115.09	3.76	0.00	3.76	0.00	0.00	0.00	3.76
g. Final Design 7115.11	23,184.95	0.00	23,184.95	0.00	23,184.95	23,184.95	0.00
h. Bidding or Negotiating 7115.15	15,000.00	0.00	15,000.00	0.00	2,700.00	2,700.00	12,300.00
i. Construction Phase 7115.17	31,500.00	0.00	31,500.00	0.00	0.00	0.00	31,500.00
j. Resident Project Representative 7115.18	90,000.00	0.00	90,000.00	0.00	0.00	0.00	90,000.00
k. Add'l Services - 7115.21	2,000.00	0.00	2,000.00	0.00	708.00	708.00	1,292.00
l. Record Drawings 7115.26	2,500.00	0.00	2,500.00	0.00	0.00	0.00	2,500.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.06	0.00	0.06	0.00	0.00	0.00	0.06
o. PSC & Funding Apps 7115.43	2,000.00	0.00	2,000.00	0.00	1,945.95	1,945.95	54.05
p. Asset Management Plan (TetraTech)	31,800.00	0.00	31,800.00	0.00	4,838.91	4,838.91	26,961.09
4. Administrative Technical Services							
a. Project Accountant	4,000.00	0.00	4,000.00	0.00	0.00	0.00	4,000.00
b. Project Administration	76,711.00	0.00	76,711.00	0.00	122.07	122.07	76,588.93
5. Legal Services							
a. PSC Attorney	3,500.00	0.00	3,500.00	0.00	688.98	688.98	2,811.02
b. Lands/ROW Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Lands & ROWs							
a. Tank Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Booster Station Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Permits							
a. Bureau for Public Health	300.00	0.00	300.00	0.00	0.00	0.00	300.00
b. WV Dept of Highways	8,000.00	0.00	8,000.00	0.00	0.00	0.00	8,000.00
c. WVNPDES - Stormwater Permit	1,170.00	0.00	1,170.00	0.00	0.00	0.00	1,170.00
d. Highway Bond	1,000.00	0.00	1,000.00	0.00	0.00	0.00	1,000.00
8. Miscellaneous							
a. Power Service Booster Station	10,000.00	0.00	10,000.00	0.00	0.00	0.00	10,000.00
b. Power Service Plant Site	9,145.73	0.00	9,145.73	0.00	9,145.73	9,145.73	0.00
c. Legal Ads / Miscellaneous	482.80	0.00	482.80	0.00	482.80	482.80	0.00
9. Cost of Financing							
a. Bond Counsel	18,000.00	0.00	18,000.00	0.00	18,000.00	18,000.00	0.00
b. Registrar's Fee	500.00	0.00	500.00	0.00	0.00	0.00	500.00
Totals	**1,905,856.00**	**0.00**	**342,802.53**	**0.00**	**64,817.39**	**64,817.39**	**277,985.14**

EXPENDITURE SCHEDULE		WILDERNESS PSD WHITEWATER RD INTERCONNECT					N-WIL-001
							July 30, 2015
AML Project ID #403	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 1							
AML Eligible Whitewater Rd	157,560.50	0.00	157,560.50	0.00	0.00	0.00	157,560.50
AML Non-Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Mt Lookout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Contract 2							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 3							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Contingency							
a. Construction & Other Contingencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Engineering							
a. Study & Report 7115.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Soils Investigation 7115.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Property Survey 7115.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Mapping 7115.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Preliminary Design 7115.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Easement Maps 7115.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. Final Design 7115.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h. Bidding or Negotiating 7115.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i. Construction Phase 7115.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Resident Project Representative 7115.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Add'l Services - 7115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
l. Record Drawings 7115.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. PSC & Funding Apps 7115.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
p. Asset Management Plan (TetraTech)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Administrative Technical Services							
a. Project Accountant	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Project Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Legal Services							
a. PSC Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Lands/ROW Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Lands & ROWs							
a. Tank Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Booster Station Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Permits							
a. Bureau for Public Health	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. WV Dept of Highways	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. WVNPDES - Stormwater Permit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Highway Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. Miscellaneous							
a. Power Service Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Power Service Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Legal Ads / Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Cost of Financing							
a. Bond Counsel	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Registrar's Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	**157,560.50**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

EXPENDITURE SCHEDULE		WILDERNESS PSD WHITEWATER RD INTERCONNECT				N-WIL-001
						July 30, 2015
Wilderness PSD Contribution	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 1							
AML Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Mt Lookout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Contract 2							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 3							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Contingency							
a. Construction & Other Contingencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Engineering							
a. Study & Report 7115.02	5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00	0.00
b. Soils Investigation 7115.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Property Survey 7115.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Mapping 7115.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Preliminary Design 7115.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Easement Maps 7115.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. Final Design 7115.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h. Bidding or Negotiating 7115.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i. Construction Phase 7115.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Resident Project Representative 7115.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Add'l Services - 7115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
l. Record Drawings 7115.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. PSC & Funding Apps 7115.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
p. Asset Management Plan (TetraTech)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Administrative Technical Services							
a. Project Accountant	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Project Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Legal Services							
a. PSC Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Lands/ROW Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Lands & ROWs							
a. Tank Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Booster Station Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Permits							
a. Bureau for Public Health	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. WV Dept of Highways	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. WVNPDES - Stormwater Permit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Highway Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. Miscellaneous							
a. Power Service Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Power Service Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Legal Ads / Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Cost of Financing							
a. Bond Counsel	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Registrar's Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	**5,000.00**	**0.00**	**5,000.00**	**5,000.00**	**0.00**	**5,000.00**	**0.00**

EXPENDITURE SCHEDULE	WILDERNESS PSD WHITEWATER RD INTERCONNECT						N-WIL-001
DWTRF Principal Forgiveness	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	July 30, 2015 Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 1							
AML Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Mt Lookout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Contract 2							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 3							
AML Non-Eligible	464,715.00	0.00	464,715.00	0.00	0.00	0.00	464,715.00
2. Contingency							
a. Construction & Other Contingencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Engineering							
a. Study & Report 7115.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Soils Investigation 7115.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Property Survey 7115.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Mapping 7115.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Preliminary Design 7115.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Easement Maps 7115.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. Final Design 7115.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h. Bidding or Negotiating 7115.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i. Construction Phase 7115.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Resident Project Representative 7115.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Add'l Services - 7115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
l. Record Drawings 7115.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. PSC & Funding Apps 7115.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
p. Asset Management Plan (TetraTech)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Administrative Technical Services							
a. Project Accountant	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Project Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Legal Services							
a. PSC Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Lands/ROW Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Lands & ROWs							
a. Tank Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Booster Station Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Permits							
a. Bureau for Public Health	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. WV Dept of Highways	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. WVNPDES - Stormwater Permit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Highway Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. Miscellaneous							
a. Power Service Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Power Service Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Legal Ads / Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Cost of Financing							
a. Bond Counsel	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Registrar's Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	**464,715.00**	**0.00**	**464,715.00**	**0.00**	**0.00**	**0.00**	**464,715.00**

EXPENDITURE SCHEDULE	WILDERNESS PSD WHITEWATER RD INTERCONNECT						N-WIL-001
IJDC District 3 Grant 2012W-1375	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	July 30, 2015 Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 1							
AML Eligible Whitewater Rd	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AML Non-Eligible Whitewater Rd	70,000.00	0.00	70,000.00	0.00	0.00	0.00	70,000.00
AML Non-Eligible Mt Lookout	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Contract 2							
AML Non-Eligible	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Contract 3							
AML Non-Eligible	17,000.00	0.00	17,000.00	0.00	0.00	0.00	17,000.00
2. Contingency							
a. Construction & Other Contingencies	13,000.00	0.00	13,000.00	0.00	0.00	0.00	13,000.00
3. Engineering							
a. Study & Report 7115.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Soils Investigation 7115.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Property Survey 7115.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Mapping 7115.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Preliminary Design 7115.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Easement Maps 7115.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. Final Design 7115.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h. Bidding or Negotiating 7115.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i. Construction Phase 7115.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Resident Project Representative 7115.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Add'l Services - 7115.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
l. Record Drawings 7115.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. PSC & Funding Apps 7115.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00
p. Asset Management Plan (TetraTech)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Administrative Technical Services							
a. Project Accountant	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Project Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Legal Services							
a. PSC Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Lands/ROW Attorney	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Lands & ROWs							
a. Tank Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Booster Station Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7. Permits							
a. Bureau for Public Health	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. WV Dept of Highways	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. WVNPDES - Stormwater Permit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Highway Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8. Miscellaneous							
a. Power Service Booster Station	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Power Service Plant Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Legal Ads / Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Cost of Financing							
a. Bond Counsel	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Registrar's Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	**100,000.00**	**0.00**	**100,000.00**	**0.00**	**0.00**	**0.00**	**100,000.00**

EXPENDITURE SCHEDULE	WILDERNESS PSD WHITEWATER RD INTERCONNECT						N-WIL-001
SUMMARY	As Per Schedule B	Adjustments	Revised Budget	Paid Prior To This Draw	Requested This Draw	Paid to Date (Column 4 + 5)	July 30, 2015 Remaining (Column 3 - 6)
1. Construction Costs							
a. Direct Purchase Equipment	23,500.00	0.00	23,500.00	0.00	0.00	0.00	23,500.00
b. Contract 1							
AML Eligible Whitewater Rd	315,121.00	0.00	315,121.00	0.00	0.00	0.00	315,121.00
AML Non-Eligible Whitewater Rd	372,100.00	0.00	372,100.00	0.00	0.00	0.00	372,100.00
AML Non-Eligible Mt Lookout	187,285.00	0.00	187,285.00	0.00	0.00	0.00	187,285.00
c. Contract 2							
AML Non-Eligible	337,916.00	0.00	337,916.00	0.00	0.00	0.00	337,916.00
b. Contract 3							
AML Non-Eligible	1,023,900.00	0.00	1,023,900.00	0.00	0.00	0.00	1,023,900.00
2. Contingency							
a. Construction & Other Contingencies	25,506.97	0.00	25,506.97	0.00	0.00	0.00	25,506.97
3. Engineering							
a. Study & Report 7115.02	10,000.00	0.00	10,000.00	10,000.00	0.00	10,000.00	0.00
b. Soils Investigation 7115.04	18,000.00	-9,000.00	9,000.00	0.00	0.00	0.00	9,000.00
c. Property Survey 7115.06	7,004.23	-1,814.23	5,190.00	5,185.77	0.00	5,185.77	4.23
d. Mapping 7115.07	3,000.00	0.00	3,000.00	0.00	3,000.00	3,000.00	0.00
e. Preliminary Design 7115.08	60,000.00	5,000.00	65,000.00	65,000.00	0.00	65,000.00	0.00
f. Easement Maps 7115.09	1,153.76	2,536.24	3,690.00	3,686.24	0.00	3,686.24	3.76
g. Final Design 7115.11	34,488.95	6,651.05	41,140.00	17,955.05	23,184.95	41,140.00	0.00
h. Bidding or Negotiating 7115.15	15,000.00	0.00	15,000.00	0.00	2,700.00	2,700.00	12,300.00
i. Construction Phase 7115.17	31,500.00	0.00	31,500.00	0.00	0.00	0.00	31,500.00
j. Resident Project Representative 7115.18	90,000.00	0.00	90,000.00	0.00	0.00	0.00	90,000.00
k. Add'l Services - 7115.21	2,000.00	0.00	2,000.00	0.00	708.00	708.00	1,292.00
l. Record Drawings 7115.26	2,500.00	0.00	2,500.00	0.00	0.00	0.00	2,500.00
m. Condemnation 7115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Environmental Clearance 7115.39	0.06	13,789.94	13,790.00	13,789.94	0.00	13,789.94	0.06
o. PSC & Funding Apps 7115.43	2,000.00	0.00	2,000.00	0.00	1,945.95	1,945.95	54.05
p. Asset Management Plan (TetraTech)	31,800.00	0.00	31,800.00	0.00	4,838.91	4,838.91	26,961.09
4. Administrative Technical Services							
a. Project Accountant	8,000.00	0.00	8,000.00	4,000.00	0.00	4,000.00	4,000.00
b. Project Administration	86,711.00	0.00	86,711.00	10,000.00	122.07	10,122.07	76,588.93
5. Legal Services							
a. PSC Attorney	7,000.00	0.00	7,000.00	3,500.00	688.98	4,188.98	2,811.02
b. Lands/ROW Attorney	5,000.00	0.00	5,000.00	5,000.00	0.00	5,000.00	0.00
6. Lands & ROWs							
a. Tank Site	10,000.00	-8,750.00	1,250.00	1,250.00	0.00	1,250.00	0.00
b. Booster Station Site	7,500.00	-6,500.00	1,000.00	1,000.00	0.00	1,000.00	0.00
c. Plant Site	5,000.00	1,157.00	6,157.00	6,157.00	0.00	6,157.00	0.00
d. Easements	2,000.00	-2,000.00	0.00	0.00	0.00	0.00	0.00
e. Appraisals	2,000.00	400.00	2,400.00	2,400.00	0.00	2,400.00	0.00
7. Permits							
a. Bureau for Public Health	600.00	-300.00	300.00	0.00	0.00	0.00	300.00
b. WV Dept of Highways	8,000.00	0.00	8,000.00	0.00	0.00	0.00	8,000.00
c. WVNPDES - Stormwater Permit	2,340.00	-1,170.00	1,170.00	0.00	0.00	0.00	1,170.00
d. Highway Bond	1,000.00	0.00	1,000.00	0.00	0.00	0.00	1,000.00
8. Miscellaneous							
a. Power Service Booster Station	10,000.00	0.00	10,000.00	0.00	0.00	0.00	10,000.00
b. Power Service Plant Site	9,145.73	0.00	9,145.73	0.00	9,145.73	9,145.73	0.00
c. Legal Ads / Miscellaneous	482.80	0.00	482.80	0.00	482.80	482.80	0.00
9. Cost of Financing							
a. Bond Counsel	18,000.00	0.00	18,000.00	0.00	18,000.00	18,000.00	0.00
b. Registrar's Fee	500.00	0.00	500.00	0.00	0.00	0.00	500.00
Totals	**2,777,055.50**	**0.00**	**2,777,055.50**	**148,924.00**	**64,817.39**	**213,741.39**	**2,563,314.11**

NOTES

DWTRF Design Loan Principal Forgiveness

01/15/2015: Tank site property purchase paid in full. Decreased Lands & ROWs/Tank Site line item by $1,557. Of this amount, $400 moved to Lands & ROWs/Appraisals line item to reimburse PSD for amount paid for Appraisal Services in excess of original budgeted amount; $1,157 moved to Lands & ROWs/Plant Site line item to reimburse PSD for amount paid in excess of original budgeted amount.

03/19/2015: Reduced Property Survey line item by $1,810 per EA #2; moved to Easement Map line item.

03/19/2015: Reduced Lands & ROWs/Tank site by $7,193 (tank site paid in full); moved $730 to Easement Map line item; moved $6,463 to Engineering/Environmental Clearance

03/19/2015: Reduced Lands & ROWs/Booster Station Site by $6,500; moved $6,500 to Engineering/Environmental Clearance line item.

03/19/2015: Reduced Lands & ROWs/Easements by $827; moved to Engineering/Environmental Clearance line item.

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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CLOSING MEMORANDUM

3.17

To: **Robert DeCrease**
Jim Ellars
Sheila Miller
Sara Rogers
Debbie Gilbert

From: **Samme Gee**

Date: **August 12, 2015**

Re: **Wilderness Public Service District**
Water Revenue Bonds, Series 2015 A
(West Virginia DWTRF Program) and
Water Revenue Bonds, Series 2015 B
(West Virginia DWTRF Program)
IJDC Project No. 2012W-1375

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1. DISBURSEMENTS TO DISTRICT

A.

Payor:	West Virginia Bureau of Public Health
Source:	Series 2015 Bonds Proceeds
Amount:	$64,818
Date:	August 12, 2015
Form:	Wire Transfer
Payee:	Wilderness Public Service District
Bank:	BB&T 815 Northside Drive Summersville, WV 26651
Contact:	Brenna Crislip, (304) 872-8162
Wire Routing #:	051503394
Account Number:	0005177792499
Account:	Construction Trust Fund

B.	Payor:	West Virginia Bureau of Public Health
	Source:	Series 2015 Bonds Proceeds
	Amount:	$-0-
	Date:	August 12, 2015
	Form:	Wire Transfer
	Payee:	Wilderness Public Service District
	Bank:	BB&T 815 Northside Drive Summersville, WV 26651
	Contact:	Brenna Crislip, (304) 872-8162
	Wire Routing #:	051503394
	Account Number:	0005177792499
	Account:	Construction Trust Fund

JACKSONKELLY
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4.1(a)

August 12, 2015

Wilderness Public Service District
P.O. Box 37
Mount Nebo, WV 26679

West Virginia Bureau of Public Health
350 Capitol Street, Room 313
Charleston, WV 25301-3713

West Virginia Water Development Authority
1009 Bullitt
Charleston, WV 25301

Re: Wilderness Public Service District
Water Revenue Bonds, Series 2015 A
(West Virginia DWTRF Program)

Ladies and Gentlemen:

We have served as bond counsel to the Wilderness Public Service District ("the Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, in connection with the issuance of its Water Revenue Bonds, Series 2015 A (West Virginia DWTRF Program), dated the date hereof (the "Bonds").

We have examined certified copies of proceedings and other papers relating to the authorization of (i) a loan agreement for the Bonds dated August 12, 2015, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau of Public Health (the "BPH"), and (ii) the Bonds to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are issued in the principal amount of $1,905,856, in the form of one bond, registered as to principal and interest to the Authority, bearing interest at 0.5% per annum, and with principal and interest payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing March 1, 2017, 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 0.5% of the principal amount of the Bonds as set forth in 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 16, Article 13A and Chapter 16, Article 13C of the Code of West Virginia, 1931, as amended (collectively,

Bridgeport, WV • Charleston, WV • Martinsburg, WV • Morgantown, WV • Wheeling, WV
Denver, CO • Crawfordsville, IN • Evansville, IN • Lexington, KY • Akron, OH • Pittsburgh, PA • Washington, DC

the "Act"), for the purposes of (i) paying the costs of acquisition and construction of certain additions, betterments and improvements to the water system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act and a Bond Resolution duly adopted by the Issuer on July 30, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 30, 2015 (collectively, the "Resolution"), pursuant to and under which Act and Resolution 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 Resolution and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Resolution and in the Loan Agreement when used herein.

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

1. The Issuer is a duly organized and presently existing public service district, public corporation and political subdivision of the State of West Virginia, with full power to acquire and construct the Project, to operate and maintain the System, to enact the Resolution and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

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

4. The Issuer has legally and effectively enacted the Resolution and adopted all other necessary resolutions in connection with the issuance and sale of the Bonds. The Resolution constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms thereof and contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues 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 (1) Water Revenue Bonds, Series 1979 (United States Department of Agriculture), dated December 7, 1979, issued in the original aggregate principal

amount of $740,000 (the "Series 1979 Bonds"); (2) Water Revenue Bonds, Series 1992 (United States Department of Agriculture), dated July 15, 1992, issued in the original aggregate principal amount of $350,000 (the "Series 1992 Bonds"); (3) Water Revenue Bonds, Series 1997 Bonds (United States Department of Agriculture), September 18, 1997, issued in the original aggregate principal amount of $750,000 (the "Series 1997 Bonds"); and (4) Water Revenue Bonds, Series 2001 A Bonds (United States Department of Agriculture), dated August 8, 2001, issued in the original aggregate principal amount of $1,200,000 (the "Series 2001 A Bonds"), (collectively, the "Prior Bonds"), all in accordance with the terms of the Bonds and the Resolution.

6. Under the Act, the Bonds and any interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof. The Bonds bear interest at a rate of 0.5% per annum.

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

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

Very truly yours,

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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4.1(b)

August 12, 2015

Wilderness Public Service District
P.O. Box 37
Mount Nebo, WV 26679

West Virginia Bureau of Public Health
350 Capitol Street, Room 313
Charleston, WV 25301-3713

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: Wilderness Public Service District
Water Revenue Bonds, Series 2015 B
(West Virginia DWTRF Program)

Ladies and Gentlemen:

We have served as bond counsel to the Wilderness Public Service District ("the Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, in connection with the issuance of its Water Revenue Bonds, Series 2015 B (West Virginia DWTRF Program), dated the date hereof (the "Bonds").

We have examined certified copies of proceedings and other papers relating to the authorization of (i) a loan agreement for the Bonds dated August 12, 2015, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau of Public Health (the "BPH"), and (ii) the Bonds to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are issued in the principal amount of $464,715, in the form of one bond, registered to the Authority, bearing no interest, with the principal amounts advanced under the Bonds being deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Bonds shall be deemed no longer outstanding after the last advance is forgiven. The Bonds are not subject to an Administrative Fee.

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 16, Article 13A and Chapter 16, Article 13C of the Code of West Virginia, 1931, as amended (collectively, the "Act"), for the purposes of (i) paying the costs of acquisition and construction of certain

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additions, betterments and improvements to the water system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act and a Bond Resolution duly adopted by the Issuer on July 30, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 30, 2015 (collectively, the "Resolution"), pursuant to and under which Act and Resolution 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 Resolution and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Resolution and in the Loan Agreement when used herein.

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

1. The Issuer is a duly organized and presently existing public service district, public corporation and political subdivision of the State of West Virginia, with full power to acquire and construct the Project, to operate and maintain the System, to enact the Resolution and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

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

4. The Issuer has legally and effectively enacted the Resolution and adopted all other necessary resolutions in connection with the issuance and sale of the Bonds. The Resolution constitutes a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms thereof and contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer.

6. Under the Act, the Bonds and any interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof. The Bonds bear no interest.

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

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

Very truly yours,

Jackson Kelly PLLC

LAW OFFICE OF
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August 12, 2015

Wilderness Public Service District
P.O. Box 37
Mount Nebo, WV 26679

West Virginia Bureau of Public Health
350 Capitol Street, Room 313
Charleston, WV 25301-3713

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Jackson Kelly PLLC
P. O. Box 553
Charleston, WV 25322

Re: Wilderness Public Service District
Water Revenue Bonds, Series 2015 A
(West Virginia DWTRF Program) and
Water Revenue Bonds, Series 2015 B
(West Virginia DWTRF Program)

Ladies and Gentlemen:

I am counsel to the Wilderness Public Service District in Nicholas County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinions of Jackson Kelly PLLC, as bond counsel, relating to the above captioned bonds of the Issuer (the "Bonds"), a loan agreement for the Bonds, dated August 12, 2015, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Bureau of Public Health (the "BPH"), a Bond Resolution duly adopted by the Issuer on July 30, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 30, 2015 (collectively, the "Resolution"), and other documents relating to the Bonds. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Loan Agreement and the Resolution when used herein.

I am of the opinion that:

1. The Issuer is a duly created and validly existing public service district, public 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 and to enact the Resolution, all under the Act and other applicable provisions of law.

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

3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

4. The Resolution has been duly adopted and enacted by the Issuer and is in full force and effect.

5. 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 Resolution, 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 or default under any Resolution, resolution, order, agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for the use of the System, including, without limitation, all requisite orders, consents, certificates and approvals from the County Commission of Nicholas County, the BPH, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia (the "PSC"), and the Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has received the Recommended Decision of the Administrative Law Judge entered on May 22, 2015, as made final by the PSC on June 11, 2015, in Case No. 15-0230-PWD-CN, granting to the Issuer a certificate of public convenience and necessity

for the Project, approving the financing for the Project and approving the rates for the System. The time for appeal of the Order has expired prior to the date hereof without any appeal having been filed. The Order remains in full force and effect.

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

8. I have ascertained that all successful bidders have provided the drugfree workplace affidavit, submitted their drug free workplace plan, and the contracts contain language that comply with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. We will also ascertain that all successful bidders have made required provisions for all insurance and payment and performance bonds. I have reviewed the contracts, the surety bonds and certificates of insurance coverage (which we assume represent actual insurance coverages obtained by the successful bidders) in connection with the Project and verify that such surety bonds and certificates (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 Resolution and the Loan Agreement; and (5) based on the assumption set forth above, all such documents constitute or reference valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Respectfully,

Gregory A. Tucker

GAT:bh

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August 12, 2015

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Charleston, WV 25301-3713

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, West Virginia 25301

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P.O. Box 553
Charleston, West Virginia 25322

Re: Final Title Opinion for the Wilderness Public Service District

Ladies and Gentlemen:

I am counsel to the Wilderness Public Service District (the "Issuer") in connection with a proposed project to construct certain extensions, additions, betterments and improvements to the existing waterworks system of the Issuer (the "Project"). We provide this final title opinion on behalf of the Issuer to satisfy the requirements of the West Virginia Bureau for Public Health (the "BPH") for the Project. Please be advised of the following:

1. I am of the opinion that the Issuer is a duly created and validly existing public service district and public corporation possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia to construct, operate and maintain the Project as approved by the BPH.

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

3. I have investigated and ascertained the location of, and we 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 Stafford Consultants Inc., the consulting engineer for the Project.

4. I have examined the records on file in the Office of the Clerk of the County Commission of Nicholas 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 Nicholas County to protect the legal title to and interest of the Issuer.

Respectfully,

Gregory A. Tucker

GAT:bh