CITY OF BENWOOD

SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM) AND SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND)

BOND ORDINANCE

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CITY OF BENWOOD

ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 1997 A AND THE SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF BENWOOD AND THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF BENWOOD AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $318,300 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM) AND NOT MORE THAN $245,600 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND); 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 BOND PURCHASE AGREEMENT AND 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.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF BENWOOD HEREBY ORDAINS:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13, Chapter 22C, Article 2 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

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

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the existing public sewerage system of the Issuer, consisting of demolition of three existing wastewater treatment plants, connection of Benwood's wastewater system to the wastewater system of the City of Wheeling and repair to the Boggs Run piping, together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, transportation, treatment, purification and disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the City Clerk of the Issuer.

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

D. The Issuer has determined that, by refunding its outstanding Sewer Refunding Revenue Bonds, Series 1997 A, dated March 27, 1997, issued in the original principal amount of $93,000 (the "Series 1997 A Bonds"), and the Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program), dated December 16, 1997, issued in the original principal amount of $484,000 (the "Series 1997 B Bonds") (collectively, the "Prior Bonds"), it can achieve significant savings in debt service.

E. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of not more than $563,900 in two series (collectively, the "Series 2000 Bonds"), being the Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), in the aggregate principal amount of not more than $318,300 (the "Series 2000 A Bonds"), and the Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), in the aggregate principal amount of not more than $245,600 (the "Series 2000 B Bonds"), to permanently finance costs of acquisition and construction of the Project and to pay in full the outstanding principal of and interest on the Prior Bonds. The remaining Costs of the Project (as hereinafter defined) shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2000 Bonds prior to and during construction or acquisition and for a period not exceeding 6 months after completion of construction of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined); amounts payable to the holders of the Prior Bonds to currently refund the Prior Bonds; engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the SRF Administrative Fee (as 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 2000 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, the refunding of the Prior Bonds 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 2000 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

F. The period of usefulness of the System after completion of the Project is not less than 40 years.

G. It is in the best interests of the Issuer that its Series 2000 A Bonds be sold to the Authority pursuant to the terms and provisions of a bond purchase agreement by and among the Issuer, the Authority and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP"), and its Series 2000 B Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), both the bond purchase agreement and loan agreement, respectively, in form satisfactory to the respective parties (collectively, the "Loan Agreement"), are approved hereby if not previously approved by resolution of the Issuer.

H. Following the refunding of the Prior Bonds, there will be no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

I. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest on the Series 2000 Bonds and to make payments into all funds and accounts and other payments provided for herein.

J. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System, the refunding of the Prior Bonds and issuance of the Series 2000 Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof, by the Council and obtaining of a certificate of public convenience and necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2000 Bonds or such final order will not be subject to appeal.

K. Pursuant to the Act, the Issuer has heretofore established a Sanitary Board, and the Sanitary Board has petitioned the Governing Body to issue the Series 2000 Bonds for the purposes set forth herein.

L. 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 2000 Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2000 Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 16, Article 13, Chapter 22C, Article 2 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2000 Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP and the Council under the Act.

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

"Board" means the Sanitary Board of the Issuer.

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

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

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

"Bonds" means, collectively, the Series 2000 A Bonds, the Series 2000 B Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

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

"Closing Date" means the date upon which there is an exchange of the Series 2000 Bonds for all or a portion of the proceeds of the Series 2000 Bonds from the Authority.

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

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

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

"Consulting Engineers" means Burgess & Niple, Limited, Parkersburg, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the 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 1.02E hereof to be a part of the cost of refunding the Prior Bonds and of acquisition and construction of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

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

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

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

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

"Governing Body" means the council of the Issuer, as it may now or hereafter be constituted.

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

"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) or any Tap Fees (as hereinafter defined).

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

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

"Investment Property" means

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

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

(E) in the case of a bond other than a private activity bond, any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan.

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

"Issuer" means the City of Benwood, a municipal corporation and political subdivision of the State of West Virginia, in Marshall County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means, collectively, the Bond Purchase Agreement heretofore entered, or to be entered, into by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2000 A Bonds from the Issuer by the Authority, and the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2000 B Bonds from the Issuer by the Authority, the forms of which shall be approved,

and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2000 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Accounts. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2000 Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property as defined in Section 148(b) of the Code, that is not a purpose investment.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, the SRF Administrative Fee, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and Paying Agent (all as hereinafter defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding" when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond canceled by the Bond Registrar, at or prior to said date; (ii) any Bond for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of 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 2000 Bonds in the Supplemental Resolution.

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

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

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

(a) Government Obligations;

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

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

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

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as

practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

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

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

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

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

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

"Registrar" means the Bond Registrar.

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

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

"Reserve Accounts" means, collectively, the Series 2000 A Bonds Reserve Account and the Series 2000 B Bonds Reserve Account.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account for the Series 2000 Bonds.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Series 2000 A Bonds Construction Trust Fund" means the Series 2000 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2000 A Bonds Reserve Account" means the Series 2000 A Bonds Reserve Account established in the Series 2000 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 2000 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2000 A Bonds in the then current or any succeeding year.

"Series 2000 A Bonds Sinking Fund" means the Series 2000 A Bonds Sinking Fund established by Section 5.02 hereof.

"Series 2000 B Bonds" means the Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), of the Issuer, authorized by this Bond Legislation.

"Series 2000 B Bonds Construction Trust Fund" means the Series 2000 B Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2000 B Bonds Reserve Account" means the Series 2000 B Bonds Reserve Account established in the Series 2000 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 2000 B Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2000 B Bonds in the then current or any succeeding year.

"Series 2000 B Bonds Sinking Fund" means the Series 2000 B Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2000 Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid under the Loan Agreement for the Series 2000 A Bonds.

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

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

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2000 Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2000 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 2000 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, collectively, the complete existing municipal sewage treatment and collection system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, 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 Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT AND THE REFUNDING OF THE PRIOR BONDS

Section 2.01. Authorization of Acquisition and Construction of the Project and the Refunding of the Prior Bonds. There is hereby authorized and ordered the refunding of the Series 1997 A Bonds and the Series 1997 B Bonds and the acquisition and construction of the Project, at an estimated cost of $3,522,100, 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 2000 Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the DEP, the Council and the Authority.

The cost of the Project is estimated not to exceed $3,522,100, of which approximately $318,300 will be obtained from proceeds of the Series 2000 A Bonds, approximately $245,600 will be obtained from proceeds of the Series 2000 B Bonds, approximately $938,800 will be obtained from proceeds of a grant from the West Virginia Infrastructure Fund, approximately $750,000 will be obtained from proceeds of a grant by the Appalachian Regional Commission, approximately $1,250,000 will be obtained from proceeds of a grant by the United States Department of Housing and Urban Development (Small Cities Block Grant through the State of West Virginia) and approximately $19,400 will be contributed from funds of the Issuer.

The cost of refunding the Series 1997 A Bonds is estimated to be $27,800, which will be obtained from proceeds of the Series 2000 B Bonds.

The cost of refunding the Series 1997 B Bonds is estimated to be $428,400, which will be obtained from proceeds of the Series 2000 B Bonds and from proceeds of the grant from the West Virginia Infrastructure Fund.

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 currently refunding the Prior Bonds, capitalizing interest on the Series 2000 Bonds, funding the respective reserve accounts for the Series 2000 Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2000 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be issued the negotiable Series 2000 Bonds of the Issuer. The Series 2000 Bonds shall be issued in two series, each as a single bond, designated respectively as "Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program)," in the principal amount of not more than $318,300, and "Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund)," in the principal amount of not more than $245,600, and both shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2000 Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2000 A Bonds Construction Trust Fund and Series 2000 B Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2000 Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2000 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 2000 Bonds, if any, shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2000 Bonds shall initially be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of each series of the Series 2000 Bonds. The Series 2000 Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal

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

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

Section 3.03. Execution of Bonds. The Series 2000 Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2000 Bonds shall cease to be such officer of the Issuer before the Series 2000 Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2000 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2000 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 2000 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2000 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 2000 Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2000 Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2000 Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2000 Bonds or transferring the registered Series 2000 Bonds are exercised, all Series 2000 Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2000 Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2000 Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2000 Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2000 Bonds or, in the case of any proposed redemption of Series 2000 Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2000 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 canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2000 Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the System as herein provided. No

Holder or Holders of the Series 2000 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2000 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of debt service of the Series 2000 A Bonds and the Series 2000 B Bonds shall be secured equally and ratably 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, if any, on the Series 2000 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 2000 Bonds to the Registrar, and the Registrar shall authenticate, register and deliver the Series 2000 Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2000 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2000 Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2000 Bonds.

Section 3.10. Form of Bonds. The text of the Series 2000 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2000 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BOND, SERIES 2000 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall 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, _____, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, _____, as set forth on EXHIBIT B attached hereto.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2000.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the

Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2000, and a Supplemental Resolution duly adopted by the Issuer on _____, 2000 (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 SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED THE DATE HEREOF, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2000 B 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 System, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2000 B Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 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 which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 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 Series 2000 B Bonds; provided however, that so long as there exists in the Series 2000 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 to the Bonds, including the Series 2000 B 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 Branch Banking and Trust Company, 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 moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the 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, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 2000.

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 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: _____, 2000.

BRANCH BANKING AND TRUST COMPANY, as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

(FORM OF SERIES 2000 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BOND, SERIES 2000 B
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. BR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall 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, _____, as set forth on the " Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

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 Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2000.

This Bond is issued (i) to pay in full the outstanding principal of and interest accrued on the Issuer's Sewer Refunding Revenue Bonds, Series 1997 A; (ii) to pay in full the outstanding principal of and interest accrued on the Issuer's Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program); (iii) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to

the existing public sewerage system of the Issuer (the "Project"); and (iv) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2000, and a Supplemental Resolution duly adopted by the Issuer on _____, 2000 (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 SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED THE DATE HEREOF, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $_____ (THE "SERIES 2000 A 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 System, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2000 A Bonds and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 B 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 which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 B 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 Series 2000 A Bonds; provided however, that so long as there exists in the Series 2000 B 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 the Series 2000 A 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 Branch Banking and Trust Company, 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 moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the 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, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated _____, 2000.

[SEAL]

_____
Mayor

ATTEST:

_____
City Clerk

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 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: _____, 2000.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2000 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the City Clerk is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority, the DEP and the Council, the respective schedules, the forms of which will be provided by the DEP and the Council, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2000 A Bonds Construction Trust Fund; and

(4) Series 2000 B Bonds Construction Trust Fund.

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

(1) Series 2000 A Bonds Sinking Fund;

(2) Series 2000 A Bonds Reserve Account;

(3) Series 2000 B Bonds Sinking Fund; and

(4) Series 2000 B Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All moneys in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund the Operating Expenses of the System.

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

(i) commencing 3 months prior to the first date of payment of principal of the Series 2000 A Bonds, for deposit in the Series 2000 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2000 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 2000 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; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2000 B Bonds, for deposit in the Series 2000 B Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2000 B 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 2000 B Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) commencing 3 months prior to the first date of payment of principal of the Series 2000 A Bonds, if not fully funded upon issuance of the Series 2000 A Bonds, for deposit in the Series 2000 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2000 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2000 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 2000 A Bonds Reserve Requirement; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2000 B Bonds, if not fully funded upon issuance of the Series 2000 B Bonds, for deposit in the Series 2000 B Bonds Reserve Account, an amount equal to 1/120th of the Series 2000 B Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2000 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2000 B Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund to the Renewal and Replacement Fund, an amount equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with

Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided that, any deficiencies in any Reserve Account, except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof, shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

Moneys in the Series 2000 A Bonds Sinking Fund and the Series 2000 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2000 A Bonds and the Series 2000 B Bonds, respectively, as the same shall become due. Moneys in the Series 2000 A Bonds Reserve Account and the Series 2000 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2000 A Bonds and the Series 2000 B Bonds, respectively, as the same shall come due, when other moneys in the Series 2000 A Bonds Sinking Fund and the Series 2000 B Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Sinking Fund and the Series 2000 B Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the respective Bond Construction Trust Funds, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2000 A Bonds and the Series 2000 B Bonds, respectively, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2000 A Bonds Reserve Account or the Series 2000 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 2000 Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Sinking Fund or the Series 2000 B Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the respective aggregate principal

amount of the Series 2000 A Bonds and the Series 2000 B Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Interest, principal or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2000 A Bonds and the Series 2000 B Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Sinking Fund, and the Series 2000 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 anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Sinking Fund and the Series 2000 B Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2000 A Bonds Sinking Fund, the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Sinking Fund and the Series 2000 B Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2000 A Bonds and the Series 2000 B Bonds, respectively, under the conditions and restrictions set forth herein.

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

C. The Issuer shall on the first day of each month (if 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 payments with respect to the Series 2000 Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall also on the first day of each month (if the first day is not a business day, then the

first business day of each month), deposit with the Commission the SRF Administrative Fee as set forth in the Schedule Y attached to the Loan Agreement for the Series 2000 A Bonds.

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

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority 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 moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of the funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of the Series 2000 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2000 A Bonds, there shall first be deposited with the Commission in the Series 2000 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. From the proceeds of the Series 2000 B Bonds, there shall first be deposited with the Commission in the Series 2000 B Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

C. Next, from the proceeds of the Series 2000 A Bonds, there shall be deposited with the Commission in the Series 2000 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2000 A Bonds Reserve Account.

D. Next, from the proceeds of the Series 2000 B Bonds, there shall be deposited with the Commission in the Series 2000 B Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2000 B Bonds Reserve Account.

E. Next, from the proceeds of the Series 2000 B Bonds, there shall be deposited with the Commission, the amount set forth in the Supplemental Resolution for paying in full the entire outstanding principal of and all interest accrued on the Series 1997 A Bonds.

F. Next, from the proceeds of the Series 2000 B Bonds, together with proceeds of the grant from the West Virginia Infrastructure Fund, there shall be deposited with the Commission, the amount set forth in the Supplemental Resolution for paying in full the entire outstanding principal of, all interest accrued on and the administrative fee for the Series 1997 B Bonds.

G. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 2000 A Bonds, such moneys shall be deposited with the Depository Bank in the Series 2000 A Bonds Construction Trust Fund and applied solely to payment of the costs of the Project in the manner set forth in Section 6.02 hereof and until so expended, are hereby pledged as additional security for the Series 2000 A Bonds.

H. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 2000 B Bonds, such moneys shall be deposited with the Depository Bank in the Series 2000 B Bonds Construction Trust Fund and applied solely to payment of the costs of the Project in the manner set forth in Section 6.02 hereof and until so expended, are hereby pledged as additional security for the Series 2000 B Bonds.

I. 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 2000 A Bonds shall be expended as approved by the DEP and any remaining proceeds of the Series 2000 B Bonds shall be expended as approved by the Council.

Section 6.02. Disbursements From Bond Construction Trust Fund. A. On or before the Closing Date, the Issuer shall have delivered to the DEP and the Authority a report listing the specific purposes for which the proceeds of the Series 2000 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for the costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2000 A Bonds Construction Trust Fund shall be made only after submission to and approval from the DEP of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement for the Series 2000 A Bonds, in compliance with the construction schedule, and

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

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

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

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

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

B. The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2000 B Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

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

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

Pending such application, moneys in the respective Bond Construction Trust Funds, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

All moneys in the Series 2000 A Bonds Construction Trust Fund and the Series 2000 B Bonds Construction Trust Fund shall be kept separate and apart from each other.

The Issuer shall expend all proceeds of the Series 2000 B Bonds within 3 years of the date of issuance of the State's general obligation Bonds, the proceeds of which were used to make the loans to the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2000 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 2000 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 2000 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2000 Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2000 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2000 Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2000 A Bonds and the Series 2000 B Bonds shall be secured equally and ratably with each other by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2000 Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the sewer rate ordinance of the Issuer duly enacted on June 4, 1998.

So long as the Series 2000 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 2000 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2000 Bonds are outstanding and except as otherwise required by law or with the written consent of the DEP, the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to 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 2000 Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and, with the written permission of the DEP, the Council and the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2000 Bonds. Any balance remaining after the payment of the Series 2000 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, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine, upon consultation with a professional engineer, that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the

amount required to be paid into such account by other provisions of this Bond Legislation.

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

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2000 Bonds. All obligations issued by the Issuer after the issuance of the Series 2000 Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2000 Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2000 Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2000 Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2000 Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority, the DEP and the Council and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2000 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 the Series 2000 Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the City Clerk a written statement by the Independent Certified Public Accountants, 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 be not less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues 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 the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the City Clerk prior to the issuance of such Parity Bonds.

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

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All Bonds,

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2000 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 2000 Bonds.

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

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority, the DEP and the Council, 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, the DEP and the Council 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.

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, the DEP and the Council, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and

commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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

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

The Issuer shall file with the Authority, the DEP and the Council, or any other original purchaser of the Series 2000 Bonds, and shall mail in each year to any Holder or Holders of the Series 2000 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 Accountant in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountant, or a summary thereof, to any Holder or Holders of the Series 2000 Bonds and shall submit said report to the Authority, the DEP and the Council, or any other original purchaser of the Series 2000 Bonds. Such audit report submitted to the Authority, the DEP and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the

Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

The Issuer shall permit the Authority, the DEP and the Council, 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, the DEP and the Council, 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, the DEP and the Council with respect to the System pursuant to the Act.

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in Exhibit E of the Loan Agreement for the Series 2000 A Bonds or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 2000 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 City Clerk, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (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 2000 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Reserve Account and the Reserve Accounts for obligations on a parity with the Series 2000 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 2000 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2000 Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

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

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

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

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority, the DEP and the Council 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 DEP, the Council and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement for the Series 2000 A Bonds as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

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

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

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

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

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

by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law or, if the waterworks 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 water, 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 either shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer, and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2000 Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

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

construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Board 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 any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

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

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

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

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

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

Section 7.16. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Division of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Division of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

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

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Bonds

required by State law, with all requisite appeal periods having expired without successful appeal.

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

The Issuer shall also comply with all applicable laws, rules and regulations issued by the Authority, the DEP, the Council or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.19. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2000 Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2000 Bonds during the term thereof is, under the terms of the Series 2000 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2000 Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2000 Bonds during the term thereof is, under the terms of the Series 2000 Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2000 Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2000 Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% or $5,000,000 of the Net Proceeds of the Series 2000 Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2000 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. If required, the Issuer shall file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2000 Bonds and the interest, if any, thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer shall take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest, if any, on the Series 2000 Bonds will be and remain excludable from gross income for federal income tax purposes, and shall not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

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

Section 7.21. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2000 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP and the Council for written approval. The Issuer shall obtain the written approval of the DEP and the Council before expending any proceeds of the Series 2000 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 DEP and the Council before expending any proceeds of the Series 2000 Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding as being provided by the DEP, 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 ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS; USE OF PROCEEDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2000 Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2000 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 2000 Bonds as a condition to issuance of the Series 2000 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 2000 Bonds as may be necessary in order to maintain the status of the Series 2000 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 2000 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, the Council or the DEP, as the case may be, from which the proceeds of the Series 2000 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, the Council or the DEP, 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 2000 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 2000 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any Series 2000 Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on their respective parts relating to the Series 2000 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2000 Bonds, and such default shall have continued for a period of 30 days after the Issuer or Issuer, as appropriate shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the holders of the Series 2000 A Bonds shall be on a parity with the holders of the Series 2000 B Bonds.

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

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

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

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

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

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

court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2000 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 moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2000 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 2000 Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to the issuance of the Series 2000 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2000 Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Series 2000 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2000 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2000 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 2000 Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2000 Bonds.

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

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

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the City Clerk and members of the Governing Body and the Board were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Effective Date. This Ordinance shall take effect immediately following public hearing and final reading hereof.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Moundsville Daily Echo, the Wheeling Intelligencer and the Wheeling News-Register, three qualified newspapers of general circulation in the City of Benwood, no qualified newspaper being published therein, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading:	November 14, 2000
Passed on Second Reading:	November 28, 2000
Passed on Final Reading Following Public Hearing:	December 12, 2000

Lawrence Ferrero
Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF BENWOOD on the 12th day of December, 2000.

Dated: December 20, 2000.

[SEAL]

City Clerk

12/8/00
066650/98001

EXHIBIT A

Loan Agreement is included in bond transcript as Documents 3 and 4.

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE CITY OF BENWOOD, APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT AND LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the town council (the "Governing Body") of the City of Benwood (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective December 12, 2000 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE REFUNDING OF THE SEWER REFUNDING REVENUE BONDS, SERIES 1997 A AND THE SEWERAGE SYSTEM DESIGN REVENUE BONDS, SERIES 1997 B (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF BENWOOD AND THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF BENWOOD

AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $318,300 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM) AND NOT MORE THAN $245,600 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND); 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 BOND PURCHASE AGREEMENT AND LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program) and Series 2000 B (West Virginia Infrastructure Fund), of the Issuer (collectively, the "Bonds" and individually, the "Series 2000 A Bonds" and the "Series 2000 B Bonds"), in the respective aggregate principal amounts not to exceed $318,300 and $245,600, and has authorized the execution and delivery of the bond purchase agreement relating to the Series 2000 A Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") and the loan agreement relating to the Series 2000 B Bonds, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (collectively, the "Loan Agreement"), all in accordance with Chapter 16, Article 13, Chapter 22C, Article 2 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer:

A. The Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $318,300. The Series 2000 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2032, and shall bear no interest. The principal of the Series 2000 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, and ending March 1, 2032, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2000 A Bonds. The Series 2000 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2000 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.5% of the principal amount of the Series 2000 A Bonds set forth in the "Schedule Y" attached to the Bond Purchase Agreement.

B. The Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $245,600. The Series 2000 B Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2040, and shall bear no interest. The principal of the Series 2000 B Bonds shall be payable quarterly, on March 1, June 1, September 1 and

December 1 of each year, commencing June 1, 2002, and ending December 1, 2040, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2000 B Bonds. The Series 2000 B Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2000 B Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the applications to the DEP, the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate Progressive Bank, Wheeling, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2000 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2000 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2000 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2000 A Bonds Reserve Account.

Section 9. Series 2000 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2000 B Bonds Sinking Fund, as capitalized interest.

Section 10. Series 2000 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2000 B Bonds Reserve Account.

Section 11. Proceeds from the grant from the Infrastructure Fund in the amount of $27,740.51 shall be used to pay in full the outstanding principal of and all interest accrued on the Series 1997 A Bonds on the date hereof.

Section 12. Series 2000 B Bonds proceeds in the amount of $245,600.00 and proceeds from the grant from the Infrastructure Fund in the amount of $184,478.57 shall be used to pay in full the outstanding principal of, all interest accrued on and the administrative fee of the Series 1997 B Bonds on the date hereof.

Section 13. The balance of the proceeds of the Series 2000 A Bonds shall be deposited in or credited to the respective Bond Construction Trust Funds for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 14. The Issuer will deposit $10,612 in the Series 2000 A Bonds Reserve Account and $6,340 in the Series 2000 B Bonds Reserve Account from its own funds.

Section 15. The Mayor and the City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about December 20, 2000, to the Authority pursuant to the Loan Agreement.

Section 16. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 17. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 18. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Moneys in the Sinking Funds, including the Reserve Accounts therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 19. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

Section 18. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 12th day of December, 2000.

Laurence Ferrer
Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Benwood on the 12th day of December, 2000.

Dated: December 20, 2000.

[SEAL]

City Clerk

12/8/00
066650/98001

SRF-BPA-1
(4/6/00)

BOND PURCHASE AGREEMENT

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

CITY OF BENWOOD
(Local Government)

WITNESSETH:

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

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to acquire bonds of particular local governments pursuant to the Clean Water Act;

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

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

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to utilize moneys from the Fund to purchase the bonds of local governments to provide the financing for the acquisition or construction of wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in the Clean Water Act and the Act;

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

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

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

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

WHEREAS, the Local Government has completed and filed with the Authority and DEP an Application for Purchase of Bonds with attachments and exhibits and an Amended Application for Purchase of Bonds also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference;

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

WHEREAS, the Local Government meets the "disadvantaged community" provisions of the SRF Regulations.

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

ARTICLE I

Definitions

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

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

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

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

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

1.6 "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.

1.7 "Program" means the wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Clean Water Act and administered by DEP.

1.8 "Project" means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Government in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

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

1.10 "System" means the wastewater treatment facility owned by the Local Government, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.11 Additional terms and phrases are defined in this Bond Purchase Agreement as they are used.

ARTICLE II

The Project and the System

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

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Local Government, subject to any mortgage lien or other

security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property is approved by DEP and the Authority.

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

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

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

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

2.8 The Local Government shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority and DEP and shall verify or have verified such insurance prior to commencement of construction. Until the Project

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

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

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

2.11 The Local Government hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Authority, DEP or other State, federal

or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Local Government, commencing on the date contracts are executed for the construction of the Project and for two years following the completion of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit B and incorporated herein by reference, and forward a copy by the 10th of each month to the DEP.

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

ARTICLE III

Conditions to Purchase of Local Bonds; Issuance of Local Bonds

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

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

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

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

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

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

(f) The Local Government shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the West Virginia Infrastructure and Jobs Development Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

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

(h) The Local Government shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and

DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

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

3.2 Subject to the terms and provisions of this Bond Purchase Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF Regulations, or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall purchase the Local Bonds of the Local Government and the Local Government shall issue and sell the Local Bonds to the Authority, and in furtherance thereof it is agreed that the Local Government shall sell to the Authority and the Authority shall purchase 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 Local Bonds shall be secured and shall be repaid in the manner hereinafter provided in this Bond Purchase Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Government by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, DEP and the Local Government. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Closing." Notwithstanding the foregoing, the Date of Closing shall in no event occur more than ninety (90) days after the date of execution of this Bond Purchase Agreement by the Authority.

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for financing of wastewater treatment projects and that the obligation of the Authority to purchase the Local Bonds is subject to the Local Government's fulfilling all of the terms and conditions of this Bond Purchase Agreement on or prior to the Date of Closing and to the requirements of the Program. The Local Government specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to such purchase, the Authority may purchase the bonds of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all bonds will be purchased in conjunction with the SRF Regulations and with the prior approval of DEP.

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

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3)

of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

Provided, that if the Local Government has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the net or gross revenues of the System as provided in the Local Act;

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

parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

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

(iv) That, except as otherwise required by State law or the SRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole or substantially as a whole, provided that the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of such System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Government shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and DEP; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Government under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or

construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

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

(xii) That the Local Government shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and DEP within 30 days of adoption thereof;

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

(xiv) That the proceeds of the Local Bonds, advanced from time to time, except for accrued interest and capitalized interest, if any, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Local Government and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Local Government, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and DEP, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

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

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

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

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

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

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

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

Engineer. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

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

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

4.3 At least five percent (5%) of the proceeds of the Local Bonds will be advanced on the Date of Closing. The remaining proceeds of the Local Bonds shall be advanced by the Authority monthly as required by the Local Government to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Government, the DEP and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the SRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

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

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

4.6 The obligation of the Authority to purchase the Local Bonds 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 purchase the Local Bonds.

ARTICLE V

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

5.1 The Local Government hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Bond Purchase Agreement and the Local Act. The Local Government hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to purchase the Local Bonds, 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 Bond Purchase Agreement, the Local Government hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Bond Purchase Agreement.

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

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

ARTICLE VI

Other Agreements of the Local Government

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

6.2 The Local Government hereby warrants and represents that all information provided to the Authority and DEP in this Bond Purchase 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 purchasing and receiving the Local Bonds, the Authority and DEP shall have the right to cancel all or any of their obligations under this Bond Purchase Agreement if (a) any representation made to the Authority and DEP by the Local Government in connection with the issuance of the Local Bonds shall be incorrect or incomplete in any material respect or (b) the Local Government has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act, the SRF Regulations or this Bond Purchase Agreement.

6.3 The Local Government hereby agrees to repay on or prior to the Date of 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 Local Bonds.

6.4 The Local Government hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Local Government fails to make any such rebates as required, then the Local Government shall pay any and all penalties,

obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

6.5 Notwithstanding Section 6.4, the Authority and DEP may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Government to be monitored or cause the rebate calculations for the Local Government to be prepared, in either case at the expense of the Local Government.

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

6.7 The Local Government hereby agrees to file with the Authority and DEP upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Schedules X and Y shall be attached to this Bond Purchase Agreement by the Authority as soon as practicable after the Date of Closing is established and shall be approved by an official action of the Local Government supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

7.2 If any provision of this Bond Purchase 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 Bond Purchase Agreement, and this Bond Purchase Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.3 This Bond Purchase 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 Bond Purchase Agreement.

7.4 No waiver by any party of any term or condition of this Bond Purchase 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 Bond Purchase Agreement.

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

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

7.7 This Bond Purchase Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Government from either the Authority or DEP;

(ii) the end of ninety (90) days after the date of execution hereof by the Authority if the Local Government has failed to deliver the Local Bonds to the Authority;

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

(iv) payment in full of the principal of and interest on the Local Bonds and of any fees and charges owed by the Local Government to the Authority or DEP; provided that the amount of the Local Bonds purchased under this Bond Purchase Agreement in any succeeding fiscal year is contingent upon funds being appropriated by the State legislature or otherwise being available to purchase the Local Bonds. In the event funds are not appropriated or otherwise available to purchase all of the Local Bonds, the responsibility of the Authority and DEP to purchase the Local Bonds is terminated; provided further that the obligation of the Local Government to repay the outstanding amount of the Local Bonds is not terminated due to such non-funding on any balance of the Local Bonds. The DEP agrees to use its best efforts to have the amount contemplated under this Bond Purchase Agreement included in its budget. Non-appropriation or non-funding of the Loan shall not be considered an event of default under this Bond Purchase Agreement.

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

CITY OF BENWOOD
[Name of Local Government]

(SEAL)

By: Larry Ferrara Jr.
Its: Mayor

Attest:

Date: November 27 2000

Its Recorder

WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

By:
Its: Chief, Office of Water Resources

Date: 12-4-00

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By:
Its: Director

Attest:

Date: November 21, 2000

Secretary-Treasurer

EXHIBIT A

[Form of Performance Certificate]

[TO BE PROVIDED BY DEP]

EXHIBIT B

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

ITEM	CURRENT MONTH	TOTAL YEAR TO DATE	BUDGET YEAR TO DATE	BUDGET YEAR MINUS YEAR TO DATE
1. Gross Revenues Collected				
2. Operating Expenses				
3. Other Bond Debt Payments (including Reserve Account Deposits)				
4. SRF Bond Payments (include Reserve Account Deposits)				
5. Renewal and Replacement Fund Deposit				

Witnesseth my signature this ___ day of _____, _____.

[Name of Local Government]

By: _____
Authorized Officer

Instructions for Completing Monthly Financial Report

1. You will need a copy of the current fiscal year budget adopted by the Local Government to complete Items 1 and 2. In Item 1, provide the amount of actual gross revenues for the current month and the total amount year to date in the respective columns. Divide the budgeted annual gross revenues by 12. For example, if gross revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 (1200/12). This is the incremental amount for the Budget Year to Date column.

2. In Item 2, provide the amount of actual operating expenses for the current month and the total amount year to date in the respective columns. The SRF 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.

3. In Item 3, provide the principal, interest and reserve account payments for all the outstanding bonds of the Local Government other than this Bond.

4. In Item 4, provide the principal, interest and reserve account payments for this Bond. You need to call the Municipal Bond Commission for the exact amount of these payments and when they begin.

5. In Item 5, 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 Items 3 and 4. If gross revenues are $12,000, the Renewal and Replacement Fund should have an amount of $300 (2.5% of $12,000), LESS the amount of all reserve account payments in Items 3 & 4. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Government.

6. The Local Government must complete the Monthly Financial Report and forward it to the DEP by the 10th day of each month, commencing on the date contracts are executed for the construction of the Project and for 2 years following the completion of the Project. DEP will notify the Local Government when the Monthly Financial Report no longer needs to be filed.

EXHIBIT C

PAYMENT REQUISITION FORM

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

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No._____, of _____, Consulting Engineers, _____, _____, hereby certify as follows:

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

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

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

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

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

_____

By _____

West Virginia License No. __

[SEAL]

---

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

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

EXHIBIT E

SPECIAL CONDITIONS

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

B. AUDIT REQUIREMENT (Supplement to Article IV 4.1 (b) (xi)) - The Local Government that receives $300,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

EXHIBIT F

[Monthly Payment Form]

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

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

Witness my signature this ___ day of_____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

[Opinion of Bond Counsel for Local Government]

[To Be Dated as of Date of Closing]

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

West Virginia Division of Environmental Protection
617 Broad Street
Charleston, WV 25301

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a bond purchase agreement dated ____, ___, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP"), and (ii) the issue of a series of revenue bonds of the Local Government, dated _____, ___ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal only to the Authority, with principal 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 Bond Purchase Agreement and incorporated in and made a part of the Local Bonds.

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

We have also examined the applicable provisions of _____ of the

Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Local Government on _____, as supplemented by the supplemental resolution duly adopted by the Local Government on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Bond Purchase 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 Bond Purchase 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 Bond Purchase Agreement has been duly authorized by and executed on behalf of the Local Government and is a valid and binding special obligation of the Local Government enforceable in accordance with the terms thereof.

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

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

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

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

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

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	$ 318,300
Purchase Price of Local Bonds	$ 318,300

The Local Bonds shall bear no interest. Commencing June 1, 2002, principal of the Local Bonds is payable quarterly, with an administrative fee of ½%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

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

City of Benwood (West Virginia)

Loan of $318,300

30 Years, 0% Interest Rate, 0.5% Administrative Fee

Closing Date: December 20, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	-	-	-
3/01/2002	-	-	-
6/01/2002	2,653.00	-	2,653.00
9/01/2002	2,653.00	-	2,653.00
12/01/2002	2,653.00	-	2,653.00
3/01/2003	2,653.00	-	2,653.00
6/01/2003	2,653.00	-	2,653.00
9/01/2003	2,653.00	-	2,653.00
12/01/2003	2,653.00	-	2,653.00
3/01/2004	2,653.00	-	2,653.00
6/01/2004	2,653.00	-	2,653.00
9/01/2004	2,653.00	-	2,653.00
12/01/2004	2,653.00	-	2,653.00
3/01/2005	2,653.00	-	2,653.00
6/01/2005	2,653.00	-	2,653.00
9/01/2005	2,653.00	-	2,653.00
12/01/2005	2,653.00	-	2,653.00
3/01/2006	2,653.00	-	2,653.00
6/01/2006	2,653.00	-	2,653.00
9/01/2006	2,653.00	-	2,653.00
12/01/2006	2,653.00	-	2,653.00
3/01/2007	2,653.00	-	2,653.00
6/01/2007	2,653.00	-	2,653.00
9/01/2007	2,653.00	-	2,653.00
12/01/2007	2,653.00	-	2,653.00
3/01/2008	2,653.00	-	2,653.00
6/01/2008	2,653.00	-	2,653.00
9/01/2008	2,653.00	-	2,653.00
12/01/2008	2,653.00	-	2,653.00
3/01/2009	2,653.00	-	2,653.00
6/01/2009	2,653.00	-	2,653.00
9/01/2009	2,653.00	-	2,653.00
12/01/2009	2,653.00	-	2,653.00
3/01/2010	2,653.00	-	2,653.00
6/01/2010	2,653.00	-	2,653.00
9/01/2010	2,653.00	-	2,653.00
12/01/2010	2,653.00	-	2,653.00
3/01/2011	2,653.00	-	2,653.00
6/01/2011	2,653.00	-	2,653.00
9/01/2011	2,653.00	-	2,653.00
12/01/2011	2,653.00	-	2,653.00
3/01/2012	2,653.00	-	2,653.00
6/01/2012	2,653.00	-	2,653.00

City of Benwood (West Virginia)

Loan of $318,300

30 Years, 0% Interest Rate, 0.5% Administrative Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2012	2,653.00	-	2,653.00
12/01/2012	2,653.00	-	2,653.00
3/01/2013	2,653.00	-	2,653.00
6/01/2013	2,653.00	-	2,653.00
9/01/2013	2,653.00	-	2,653.00
12/01/2013	2,653.00	-	2,653.00
3/01/2014	2,653.00	-	2,653.00
6/01/2014	2,653.00	-	2,653.00
9/01/2014	2,653.00	-	2,653.00
12/01/2014	2,653.00	-	2,653.00
3/01/2015	2,653.00	-	2,653.00
6/01/2015	2,653.00	-	2,653.00
9/01/2015	2,653.00	-	2,653.00
12/01/2015	2,653.00	-	2,653.00
3/01/2016	2,653.00	-	2,653.00
6/01/2016	2,653.00	-	2,653.00
9/01/2016	2,653.00	-	2,653.00
12/01/2016	2,653.00	-	2,653.00
3/01/2017	2,653.00	-	2,653.00
6/01/2017	2,652.00	-	2,652.00
9/01/2017	2,652.00	-	2,652.00
12/01/2017	2,652.00	-	2,652.00
3/01/2018	2,652.00	-	2,652.00
6/01/2018	2,652.00	-	2,652.00
9/01/2018	2,652.00	-	2,652.00
12/01/2018	2,652.00	-	2,652.00
3/01/2019	2,652.00	-	2,652.00
6/01/2019	2,652.00	-	2,652.00
9/01/2019	2,652.00	-	2,652.00
12/01/2019	2,652.00	-	2,652.00
3/01/2020	2,652.00	-	2,652.00
6/01/2020	2,652.00	-	2,652.00
9/01/2020	2,652.00	-	2,652.00
12/01/2020	2,652.00	-	2,652.00
3/01/2021	2,652.00	-	2,652.00
6/01/2021	2,652.00	-	2,652.00
9/01/2021	2,652.00	-	2,652.00
12/01/2021	2,652.00	-	2,652.00
3/01/2022	2,652.00	-	2,652.00
6/01/2022	2,652.00	-	2,652.00
9/01/2022	2,652.00	-	2,652.00
12/01/2022	2,652.00	-	2,652.00
3/01/2023	2,652.00	-	2,652.00
6/01/2023	2,652.00	-	2,652.00
9/01/2023	2,652.00	-	2,652.00
12/01/2023	2,652.00	-	2,652.00

City of Benwood (West Virginia)

Loan of $318,300

30 Years, 0% Interest Rate, 0.5% Administrative Fee

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2024	2,652.00	-	2,652.00
6/01/2024	2,652.00	-	2,652.00
9/01/2024	2,652.00	-	2,652.00
12/01/2024	2,652.00	-	2,652.00
3/01/2025	2,652.00	-	2,652.00
6/01/2025	2,652.00	-	2,652.00
9/01/2025	2,652.00	-	2,652.00
12/01/2025	2,652.00	-	2,652.00
3/01/2026	2,652.00	-	2,652.00
6/01/2026	2,652.00	-	2,652.00
9/01/2026	2,652.00	-	2,652.00
12/01/2026	2,652.00	-	2,652.00
3/01/2027	2,652.00	-	2,652.00
6/01/2027	2,652.00	-	2,652.00
9/01/2027	2,652.00	-	2,652.00
12/01/2027	2,652.00	-	2,652.00
3/01/2028	2,652.00	-	2,652.00
6/01/2028	2,652.00	-	2,652.00
9/01/2028	2,652.00	-	2,652.00
12/01/2028	2,652.00	-	2,652.00
3/01/2029	2,652.00	-	2,652.00
6/01/2029	2,652.00	-	2,652.00
9/01/2029	2,652.00	-	2,652.00
12/01/2029	2,652.00	-	2,652.00
3/01/2030	2,652.00	-	2,652.00
6/01/2030	2,652.00	-	2,652.00
9/01/2030	2,652.00	-	2,652.00
12/01/2030	2,652.00	-	2,652.00
3/01/2031	2,652.00	-	2,652.00
6/01/2031	2,652.00	-	2,652.00
9/01/2031	2,652.00	-	2,652.00
12/01/2031	2,652.00	-	2,652.00
3/01/2032	2,652.00	-	2,652.00
Total	318,300.00	-	318,300.00 *

*Plus $200.58 one-half percent administrative fee paid quarterly.
Total fee paid over the life of the loan is $24,069.60.

IC-1
(4/6/00)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

CITY OF BENWOOD
(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency constitutes a governmental agency as defined by the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

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

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

WHEREAS, having reviewed the Application and made all findings required by the Act and having available sufficient funds therefor, the Council has authorized the Authority to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Infrastructure Fund, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's loan program (the "Program") as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Governmental Agency and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "Council," "governmental agency," "project," "waste water facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Bonds, acting in its administrative capacity pursuant to Section 10 of the Act and upon authorization from the Council.

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Division of Environmental Protection, or any successor thereto.

1.4 "Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Section 9 of the Act.

1.5 "Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.6 "Local Act" means the official action of the Governmental Agency required by Section 4.1 hereof, authorizing the Local Bonds.

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the

Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

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

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

1.10 "Project" means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

1.11 "System" means the project owned by the Governmental Agency, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

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

ARTICLE II

The Project and the System

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

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

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

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

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

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

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by

flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the Council and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

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

2.12 The Governmental Agency, commencing on the date contracts are executed for the construction of the Project and for two years following the completion of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

3.1 The agreement of the Authority and Council to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority and the Council, of each and all of those certain conditions precedent on or before the delivery date for the

Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Governmental Agency shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

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

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

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

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

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

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be

local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and the Council shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority and the Council, to such effect; and

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

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority, the Council or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Governmental Agency and the Governmental Agency shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

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

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Governmental Agency by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, the Council and the Governmental Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

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

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

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

(i) to pay Operating Expenses of the System;

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

Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

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

(iii) That the Governmental Agency shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Local Bonds outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

(vii) That the Governmental Agency will not render any free services of the System;

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

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

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

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

(xii) That the Governmental Agency shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and

maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof;

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

(xiv) That the proceeds of the Local Bonds, advanced from time to time, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and the Council, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

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

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

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

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action, as shall be deemed necessary by the Authority to

maintain the exclusion from gross income for federal income tax purposes of interest on the State's general obligation bonds or any bonds secured by the Local Bonds;

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

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

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

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

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project.

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

4.2 The Loan shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of the fees, charges and other revenues of the Governmental Agency from the System as further set forth by and subject only to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority and the Council.

4.3 The principal of the Loan shall be repaid by the Governmental Agency on the days and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

4.4 The Loan shall bear interest from the date and at the rate or rates per annum set forth on Schedule X hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the State's general obligation bonds unless otherwise agreed to by the Council.

ARTICLE V

Certain Covenants of the Governmental Agency; Imposition and Collection of User Charges; Payments To Be Made by Governmental Agency to the Authority

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

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

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

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

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority shall have the right to cancel all or any of its obligations under this Loan Agreement if (a) any representation made to the Authority by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act or this Loan Agreement.

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

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

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

6.5 The Governmental Agency hereby agrees to file with the Authority and the Council upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule B to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency, if any, may be set forth in Schedule Z attached hereto and incorporated herein by reference, with the same effect as if contained in the text of this Loan Agreement.

7.2 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Governmental Agency supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority and the Council.

7.3 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

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

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

7.6 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of

the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

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

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Division of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

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

7.10 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority pursuant to Section 6.1 hereof; or

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

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

CITY OF BENWOOD

(SEAL)

By: Larry Ferrera Jr
Its: Mayor

Attest:

Date: Dec. 7 - 00

Its: Clerk

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By:
Its: Director

Attest:

Date: Dec 20 - 00

Barbara B Meadows
Its: Secretary-Treasurer

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____, Consulting Engineers, _____, _____, hereby certify as follows:

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

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

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

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

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

[SEAL]

_____

By: _____
West Virginia License No. _____

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

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

EXHIBIT B

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
980 One Valley Square
Charleston, West Virginia 25301

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

Ladies and Gentlemen:

We are bond counsel to _____ (the "Governmental Agency"), a _____.

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

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

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the

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

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

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

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

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

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

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

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

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

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

Very truly yours,

EXHIBIT C

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

ITEM	CURRENT MONTH	TOTAL YEAR TO DATE	BUDGET YEAR TO DATE	BUDGET YEAR MINUS YEAR TO DATE
1. Gross Revenues Collected				
2. Operating Expenses				
3. Other Bond Debt Payments (including Reserve Account Deposits)				
4. Bond Payments (include Reserve Account Deposits)				
5. Renewal and Replacement Fund Deposit				

Witnesseth my signature this ___ day of _____, _____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Instructions for Completing Monthly Financial Report

1. You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual gross revenues for the current month and the total amount year to date in the respective columns. Divide the budgeted annual gross revenues by 12. For example, if gross revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 (1200/12). This is the incremental amount for the Budget Year to Date column.

2. In Item 2, provide the amount of actual operating expenses for the current month and the total amount year to date in the respective columns. The SRF 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.

3. In Item 3, provide the principal, interest and reserve account payments for all the outstanding bonds of the Governmental Agency other than this Loan.

4. In Item 4, provide the principal, interest and reserve account payments for this Loan. You need to call the Municipal Bond Commission for the exact amount of these payments and when they begin.

5. In Item 5, 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 Items 3 and 4. If gross revenues are $12,000, the Renewal and Replacement Fund should have an amount of $300 (2.5% of $12,000), LESS the amount of all reserve account payments in Items 3 & 4. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

6. The Governmental Agency must complete the Monthly Financial Report and forward it to the Council by the 10th day of each month, commencing on the date contracts are executed for the construction of the Project and for 2 years following the completion of the Project. The Council will notify the Governmental Agency when the Monthly Financial Report no longer needs to be filed.

EXHIBIT D

[Monthly Payment Form]

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

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

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	$245,600
Purchase Price of Local Bonds	$245,600

The Local Bonds shall bear no interest. Commencing June 1, 2002, principal of the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall submit its payments monthly to the Commission which will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

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

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

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

None.

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate
Closing Date: December 20, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	-	-	-
3/01/2002	-	-	-
6/01/2002	1,585.00	-	1,585.00
9/01/2002	1,585.00	-	1,585.00
12/01/2002	1,585.00	-	1,585.00
3/01/2003	1,585.00	-	1,585.00
6/01/2003	1,585.00	-	1,585.00
9/01/2003	1,585.00	-	1,585.00
12/01/2003	1,585.00	-	1,585.00
3/01/2004	1,585.00	-	1,585.00
6/01/2004	1,585.00	-	1,585.00
9/01/2004	1,585.00	-	1,585.00
12/01/2004	1,585.00	-	1,585.00
3/01/2005	1,585.00	-	1,585.00
6/01/2005	1,585.00	-	1,585.00
9/01/2005	1,585.00	-	1,585.00
12/01/2005	1,585.00	-	1,585.00
3/01/2006	1,585.00	-	1,585.00
6/01/2006	1,585.00	-	1,585.00
9/01/2006	1,585.00	-	1,585.00
12/01/2006	1,585.00	-	1,585.00
3/01/2007	1,585.00	-	1,585.00
6/01/2007	1,585.00	-	1,585.00
9/01/2007	1,585.00	-	1,585.00
12/01/2007	1,585.00	-	1,585.00
3/01/2008	1,585.00	-	1,585.00
6/01/2008	1,585.00	-	1,585.00
9/01/2008	1,585.00	-	1,585.00
12/01/2008	1,585.00	-	1,585.00
3/01/2009	1,585.00	-	1,585.00
6/01/2009	1,585.00	-	1,585.00
9/01/2009	1,585.00	-	1,585.00
12/01/2009	1,585.00	-	1,585.00
3/01/2010	1,585.00	-	1,585.00
6/01/2010	1,585.00	-	1,585.00
9/01/2010	1,585.00	-	1,585.00
12/01/2010	1,585.00	-	1,585.00
3/01/2011	1,585.00	-	1,585.00
6/01/2011	1,585.00	-	1,585.00
9/01/2011	1,585.00	-	1,585.00
12/01/2011	1,585.00	-	1,585.00
3/01/2012	1,585.00	-	1,585.00
6/01/2012	1,585.00	-	1,585.00

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2012	1,585.00	-	1,585.00
12/01/2012	1,585.00	-	1,585.00
3/01/2013	1,585.00	-	1,585.00
6/01/2013	1,585.00	-	1,585.00
9/01/2013	1,585.00	-	1,585.00
12/01/2013	1,585.00	-	1,585.00
3/01/2014	1,585.00	-	1,585.00
6/01/2014	1,585.00	-	1,585.00
9/01/2014	1,585.00	-	1,585.00
12/01/2014	1,585.00	-	1,585.00
3/01/2015	1,585.00	-	1,585.00
6/01/2015	1,585.00	-	1,585.00
9/01/2015	1,585.00	-	1,585.00
12/01/2015	1,585.00	-	1,585.00
3/01/2016	1,585.00	-	1,585.00
6/01/2016	1,585.00	-	1,585.00
9/01/2016	1,585.00	-	1,585.00
12/01/2016	1,585.00	-	1,585.00
3/01/2017	1,585.00	-	1,585.00
6/01/2017	1,585.00	-	1,585.00
9/01/2017	1,585.00	-	1,585.00
12/01/2017	1,585.00	-	1,585.00
3/01/2018	1,585.00	-	1,585.00
6/01/2018	1,585.00	-	1,585.00
9/01/2018	1,585.00	-	1,585.00
12/01/2018	1,585.00	-	1,585.00
3/01/2019	1,585.00	-	1,585.00
6/01/2019	1,585.00	-	1,585.00
9/01/2019	1,585.00	-	1,585.00
12/01/2019	1,585.00	-	1,585.00
3/01/2020	1,585.00	-	1,585.00
6/01/2020	1,585.00	-	1,585.00
9/01/2020	1,585.00	-	1,585.00
12/01/2020	1,585.00	-	1,585.00
3/01/2021	1,585.00	-	1,585.00
6/01/2021	1,585.00	-	1,585.00
9/01/2021	1,585.00	-	1,585.00
12/01/2021	1,585.00	-	1,585.00
3/01/2022	1,585.00	-	1,585.00
6/01/2022	1,584.00	-	1,584.00
9/01/2022	1,584.00	-	1,584.00
12/01/2022	1,584.00	-	1,584.00
3/01/2023	1,584.00	-	1,584.00
6/01/2023	1,584.00	-	1,584.00
9/01/2023	1,584.00	-	1,584.00
12/01/2023	1,584.00	-	1,584.00

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2024	1,584.00	-	1,584.00
6/01/2024	1,584.00	-	1,584.00
9/01/2024	1,584.00	-	1,584.00
12/01/2024	1,584.00	-	1,584.00
3/01/2025	1,584.00	-	1,584.00
6/01/2025	1,584.00	-	1,584.00
9/01/2025	1,584.00	-	1,584.00
12/01/2025	1,584.00	-	1,584.00
3/01/2026	1,584.00	-	1,584.00
6/01/2026	1,584.00	-	1,584.00
9/01/2026	1,584.00	-	1,584.00
12/01/2026	1,584.00	-	1,584.00
3/01/2027	1,584.00	-	1,584.00
6/01/2027	1,584.00	-	1,584.00
9/01/2027	1,584.00	-	1,584.00
12/01/2027	1,584.00	-	1,584.00
3/01/2028	1,584.00	-	1,584.00
6/01/2028	1,584.00	-	1,584.00
9/01/2028	1,584.00	-	1,584.00
12/01/2028	1,584.00	-	1,584.00
3/01/2029	1,584.00	-	1,584.00
6/01/2029	1,584.00	-	1,584.00
9/01/2029	1,584.00	-	1,584.00
12/01/2029	1,584.00	-	1,584.00
3/01/2030	1,584.00	-	1,584.00
6/01/2030	1,584.00	-	1,584.00
9/01/2030	1,584.00	-	1,584.00
12/01/2030	1,584.00	-	1,584.00
3/01/2031	1,584.00	-	1,584.00
6/01/2031	1,584.00	-	1,584.00
9/01/2031	1,584.00	-	1,584.00
12/01/2031	1,584.00	-	1,584.00
3/01/2032	1,584.00	-	1,584.00
6/01/2032	1,584.00	-	1,584.00
9/01/2032	1,584.00	-	1,584.00
12/01/2032	1,584.00	-	1,584.00
3/01/2033	1,584.00	-	1,584.00
6/01/2033	1,584.00	-	1,584.00
9/01/2033	1,584.00	-	1,584.00
12/01/2033	1,584.00	-	1,584.00
3/01/2034	1,584.00	-	1,584.00
6/01/2034	1,584.00	-	1,584.00
9/01/2034	1,584.00	-	1,584.00
12/01/2034	1,584.00	-	1,584.00
3/01/2035	1,584.00	-	1,584.00
6/01/2035	1,584.00	-	1,584.00

City of Benwood (West Virginia)

Loan of $245,600

40 Years, 0% Interest Rate

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2035	1,584.00	-	1,584.00
12/01/2035	1,584.00	-	1,584.00
3/01/2036	1,584.00	-	1,584.00
6/01/2036	1,584.00	-	1,584.00
9/01/2036	1,584.00	-	1,584.00
12/01/2036	1,584.00	-	1,584.00
3/01/2037	1,584.00	-	1,584.00
6/01/2037	1,584.00	-	1,584.00
9/01/2037	1,584.00	-	1,584.00
12/01/2037	1,584.00	-	1,584.00
3/01/2038	1,584.00	-	1,584.00
6/01/2038	1,584.00	-	1,584.00
9/01/2038	1,584.00	-	1,584.00
12/01/2038	1,584.00	-	1,584.00
3/01/2039	1,584.00	-	1,584.00
6/01/2039	1,584.00	-	1,584.00
9/01/2039	1,584.00	-	1,584.00
12/01/2039	1,584.00	-	1,584.00
3/01/2040	1,584.00	-	1,584.00
6/01/2040	1,584.00	-	1,584.00
9/01/2040	1,584.00	-	1,584.00
12/01/2040	1,584.00	-	1,584.00
Total	245,600.00	-	245,600.00

YIELD STATISTICS

Bond Year Dollars	$5,085.90
Average Life	20.708 Years
Average Coupon	-

IRS FORM 8038

Net Interest Cost	-
Weighted Average Maturity	20.708 Years

SCHEDULE Z

None.

West Virginia Infrastructure & Jobs Development Council

Public Members:
James D. Williams, Chairman
St. Albans
James L. Harrison, Sr., Vice Chairman
Princeton
Lloyd P. Adams, P.E.
Wheeling
Sheirl L. Fletcher
Morgantown

980 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Susan J. Riggs, Esquire
Executive Secretary

February 3, 1999

The Honorable Lawrence Ferrera
Mayor, City of Benwood
430 Main Street
Benwood, WV 26031

Re: Binding Commitment Letter
Wastewater System Project 97S-334

Dear Mayor Ferrera:

The West Virginia Infrastructure and Jobs Development Council (the "Council") provides this binding offer of an Infrastructure Fund loan of approximately $352,700, and an Infrastructure Fund grant of $662,100 (collectively referred to as the "Funding Assistance") for the City of Benwood's (the "City") proposed project to abandon its existing treatment plants and construct four new lift stations and a force main to convey wastewater to the City of Wheeling for treatment (the "Project"). The source of funds for the Funding Assistance will be a portion of the proceeds from an anticipated Infrastructure General Obligation Bond issue and this Funding Assistance commitment is contingent upon the availability of those proceeds in the Infrastructure Fund. The Funding Assistance will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Funding Assistance amount will be established after the City has received acceptable bids for the Project. The Council will set aside a portion of the next bond proceeds to be deposited in the Infrastructure Fund to make this Funding Assistance upon the City's compliance with the program requirements. The Funding Assistance agreements will be between the City and the West Virginia Water Development Authority (the "Authority"), who is the administrator of the Infrastructure Fund, acting on behalf of the Council.

This Funding Assistance commitment is also contingent upon the City meeting the following schedule:

a. Advertise for construction bids no later than May 5, 1999.
b. Close the Funding Assistance no later than September 9, 1999.

The Council reserves the right to withdraw this Funding Assistance commitment if any of the above schedule dates are not met. The Council may, when justifiable circumstances occur, offer to modify the schedule. Any decision to modify the schedule is at the sole discretion of the Council.

6A

If the City becomes aware that it will not meet one or more of the above schedule dates, the City should immediately notify the Council of this fact and the circumstances which have caused or will cause the City to be unable to meet the schedule. In addition, please immediately notify the Council if any of the other dates on the attached schedule have not or will not be met.

The Authority will enter into Funding Assistance agreements with the City following receipt of a final, nonappealable order from the Public Service Commission authorizing construction of the Project, approving rates, and approving the Project funding; evidence of binding commitments for other funding; evidence of all permits; evidence of acceptable bids; requisite bond-related documents and opinions in a form and substance satisfactory to the Authority and the Council; and any other documents requested by the Council. Following execution of the Funding Assistance agreements, the Council will establish a closing date.

No statements or representations made before or after the issuance of this contingent Funding Assistance commitment by any person, member of the Council, or agent or employee of the Authority shall be construed as approval to alter or amend this Funding Assistance commitment, as all such amendments or alterations shall only be made in writing after approval of the Council.

If the City has any questions regarding this Funding Assistance commitment, please contact Susan J. Riggs at the above-referenced telephone number.

Sincerely,

James D. Williams

JDW/tb
Attachments
cc: Debbie Legg
Craig D. Richards, P. E.
Vincent A. Collins, Esquire

NOTE: This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return one to the Council at the above address, and one to the Authority at 180 Association Drive, Charleston, WV 25311-1571.

City of Benwood

By: Larry Ferrera Jr
Mayor

Date: Feb. 8 1999

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

City of Benwood
Wastewater System Project
97S-334
February 3, 1999

SCHEDULE A

A. Approximate Amount: $352,700 - Loan
$662,100 - Grant

B. Loan:

1. Maturity Date: 40 years from date of loan closing
2. Interest Rate: 0%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for the Infrastructure Fund grant and the Appalachian Regional Commission grant.
4. Debt Service Commencement Date: The first quarter following completion of construction, which date must be identified prior to closing.
4. Special Conditions: None.

C. Grant

1. Grant Advancement Date(s): Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for a pro-rata share of the Appalachian Regional Commission grant.
2. Special Conditions (if any): None.

NOTICE: The terms set forth above are subject to change following the Governmental Agency's receipt of construction bids.

D. Other Funding Sources:

1. State Revolving Fund Loan - Design

Amount: $318,300 (Remaining amount after partial take-out)
Interest Rate: 1%
Maturity Date: 20 years

CITY OF GLENWOOD
Wastewater Collection System Project
97S-334

	ACTION	RESPONSIBLE PARTY	START DATE	COMPLETION DATE
1	Prepare and Submit P&S to OWR	Burgess & Niple		Complete
2	Prepare and Submit Permit Applications	Burgess & Niple		Complete
3	Prepare Rule 42	Accountant		Complete
4	Rate Ordinance	Attorney		Complete
	a First Reading			
	b Final Reading			
	c File with PSC			
5	File Certificate Case with PSC	Attorney		January 20, 1999
6	P&S Review and Approval Process	OWR		Complete
7	Rights-of-Way, Easements, and Land Acquisition	Attorney		May 1, 1999
8	Authority to Advertise	OWR/IJDC		May 1, 1999
9	Advertise for Bids	Burgess & Niple		May 5, 1999
10	Review and Approve PSC Certificate	PSC	January 20, 1999	July 31, 1999
11	Bid Opening	Burgess & Niple		June 9, 1999
12	Loan Closing	Bond Counsel		September 9, 1999
13	Construction Period	Contractor	September 13, 1999	September 13, 2000

DEC-14 00 14:21 FROM:WV INFRASTRUCTURE CO 304-558-4609 TO:3046248183 PAGE:05

West Virginia Infrastructure & Jobs Development Council

Public Members:
James D. Williams, Chairman
St. Albans
James L. Harrison, Sr., Vice Chairman
Princeton
Lloyd P. Adams, P.E.
Wheeling
Sheirl L. Fletcher
Morgantown

980 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Susan J. Riggs, Esquire
Executive Secretary

March 9, 1999

The Honorable Lawrence Ferrera
Mayor, City of Benwood
430 Main Street
Benwood, WV 26031

Re: Binding Commitment Letter Amendment
Wastewater System Project 97S-334

Dear Mayor Ferrera:

Reference is hereby made to that Binding Commitment Letter dated February 3, 1999 (the "Binding Commitment") to the City of Benwood (the "City") from the West Virginia Infrastructure and Jobs Development Council (the "Council") related to an Infrastructure Fund loan of $352,700 and an Infrastructure Fund grant of $662,100 for the City's proposed wastewater system project. The Council has reviewed the City's request to reconsider the terms of the binding commitment, specifically, to defer repayments on the Infrastructure Fund loan. Upon consideration of the City's request, the Council has agreed to defer payments on the Infrastructure Fund loan as set forth on the Revised Schedule A attached hereto and incorporated herein by reference.

Except as expressly amended by this letter, the terms and conditions of the Binding Commitment shall remain unchanged and in full force and effect.

Please evidence your acceptance of this amendment by executing two originals of this letter and returning one to the Council at the above address and one to the Water Development Authority at 180 Association Drive, Charleston, WV 25311-1571.

6B

If the City has any questions regarding this matter, please contact Susan J. Riggs at the above telephone number.

Sincerely,

James D. Williams

JDW/tb
Attachment
cc: Debbie Legg
Craig D. Richards, P.E.
Vincent A. Collins, Esquire

City of Benwood

By:_____
Mayor

Date:_____

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

City of Benwood
Wastewater System Project
97S-334
March 9, 1999

REVISED
SCHEDULE A

A.	Approximate Amount:	$352,700	-	Loan
		$662,100	-	Grant

B. Loan:

1.	Maturity Date:	40 years from date of loan closing
2.	Interest Rate:	0%
3.	Loan Advancement Date(s):	Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for the Infrastructure Fund grant and the Appalachian Regional Commission grant.
4.	Debt Service Commencement Date:	The earlier of (i) 21 years after the date of the loan closing or (ii) the month following final payment of the Clean Water State Revolving Fund loan.
4.	Special Conditions:	None.

C. Grant:

1.	Grant Advancement Date(s):	Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for a pro-rata share of the Appalachian Regional Commission grant.
2.	Special Conditions (if any):	None.

NOTICE: The terms set forth above are subject to change following the Governmental Agency's receipt of construction bids.

D. Other Funding Sources:

1. State Revolving Fund Loan - Design

Amount:	$318,300 (Remaining amount after partial take-out)
Interest Rate:	1%
Maturity Date:	20 years

2. Small Cities Block Grant
Amount: $1,250,000

3. Appalachian Regional Commission Grant
Amount: $750,000

E. Proposed User Rates:

Average: $30.75/4500 gallons

West Virginia Infrastructure & Jobs Development Council

Public Members:
James D. Williams, Chairman
St. Albans
James L. Harrison, Sr., Vice Chairman
Princeton
Lloyd P. Adams, P.E.
Wheeling
Sheirl L. Fletcher
Morgantown

980 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Susan J. Riggs, Esquire
Executive Secretary

March 26, 1999

The Honorable Lawrence Ferrera
Mayor, City of Benwood
430 Main Street
Benwood, West Virginia 26031

Re: Binding Commitment Letter Second Amendment
Wastewater System Project 97S-334

Dear Mayor Ferrera:

As you know, the Infrastructure and Jobs Development Council (the "Council'), at its March 3, 1999 meeting, agreed to restructure the terms and conditions of its binding commitment to the City of Benwood (the "City") for an Infrastructure Fund loan of $352,700 related to the City's proposed wastewater system project (the "Project"). Specifically, the Council agreed to defer payments on the Infrastructure Fund loan to the earlier of (i) 21 years after the date of the loan closing or (ii) the month following final payment of the Clean Water State Revolving Fund loan related to the Project. By letter dated March 9, 1999 with an attached Revised Schedule A, I notified you of the Council's action.

As part of the loan restructuring, the Council also determined that the loan should be subject to required prepayments if and when the City receives revenues above those currently expected due to future, new customers. In preparing the Revised Schedule A, we inadvertently did not include the required prepayment loan term. Enclosed is a Second Revised Schedule A which includes both of the new loan terms. Please substitute this Second Revised Schedule A for the Schedule A which was attached to the March 9, 1999 letter. I apologize for any inconvenience this oversight may

6C

cause. Please do not hesitate to contact me if you have any questions regarding this matter. Thank you for your attention.

Sincerely,

Susan J. Riggs

SJR/s
Enclosure
cc: Debbie Legg
Mike Johnson, P.E.
Craig D. Richards, P.E.
Vincent A. Collins, Esquire

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

City of Benwood
Wastewater System Project
97S-334
March 26, 1999

SECOND
REVISED
SCHEDULE A

A.	Approximate Amount:	$352,700	-	Loan
		$662,100	-	Grant

B. Loan:

1.	Maturity Date:	40 years from date of loan closing
2.	Interest Rate:	0%
3.	Loan Advancement Date(s):	Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for the Infrastructure Fund grant and the Appalachian Regional Commission grant.
4.	Debt Service Commencement Date:	The earlier of (i) 21 years after the date of the loan closing or (ii) the month following final payment of the Clean Water State Revolving Fund loan.
4.	Special Conditions:	The loan is subject to required prepayments in an amount to be determined by the Council pursuant to an annual review of the City's revenues, the specific details of which will be set forth in the loan agreement.

C. Grant:

1.	Grant Advancement Date(s):	Monthly, upon receipt of proper requisition, and after complete advancement of all other funding except for a pro-rata share of the Appalachian Regional Commission grant.
2.	Special Conditions (if any):	None.

NOTICE: The terms set forth above are subject to change following the Governmental Agency's receipt of construction bids.

D. Other Funding Sources:

1. State Revolving Fund Loan - Design

Amount:	$318,300 (Remaining amount after partial take-out)
Interest Rate:	1%
Maturity Date:	20 years

2. Small Cities Block Grant

Amount:	$1,250,000

3. Appalachian Regional Commission Grant

Amount:	$750,000

E. Proposed User Rates:

Average: $30.75/4500 gallons

West Virginia Infrastructure & Jobs Development Council

Public Members:
James D. Williams, Chairman
St. Albans
William J. Harman, PE, Vice Chairman
Grafton
Dwight Calhoun
Petersburg
William P. Stafford, II, Esq.
Princeton

980 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE
Executive Secretary

KMallory@ezwv.com

November 1, 2000

The Honorable Lawrence Ferrera
Mayor, City of Benwood
430 Main Street
Benwood, West Virginia 26031

Re: Binding Commitment Letter-Revision
Wastewater Project 97S-334
Commitment Expires December 30, 2000

Dear Mayor Ferrera:

The West Virginia Infrastructure and Jobs Development Council (the "Council") has reviewed the City of Benwood's (the "City") request for revision to the Council's binding commitment letter of February 3, 1999, amended March 9, 1999 and March 26, 1999 (the "Binding Commitment") to the City for financing its wastewater project. At its November 1, 2000 meeting, the Council voted to revise the binding commitment as shown on the attached revised Schedule A to cover the proposed cost overruns. This revised commitment expires December 30, 2000. All other conditions of Binding Commitment remain in effect.

If the City has any questions regarding this commitment, please contact Katy Mallory at (304) 558-4607.

Sincerely,

James D. Williams

JDW/km
Attachments

cc: Mike Johnson, DEP
John Stump

6D

NOTE: This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return two copies to this office.

City of Benwood

By: _____
Mayor

Date: _____

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

City of Benwood
Wastewater System Project
97S-334
November 1, 2000

REVISED SCHEDULE A
After Bids Received

A. Approximate Amount: $ 245,600 - Loan
$ 938,800 - Grant

B. Loan:

1.	Interest Rate:	0%
2.	Maturity Date:	40 years from the date of loan closing
3.	Loan Advancement Date(s)	Monthly, upon receipt of proper requisition, and after complete advancement of the State Revolving Fund loan except to the extent that the Infrastructure Fund loan is needed to pay project costs not eligible for payment by the State Revolving Fund loan.
4.	Debt Service Commencement Date:	The quarter following completion of construction, which date must be identified prior to loan closing.
5.	Special Conditions (if any)	None

C. Grant

1.	Grant Advancement Date(s)	Monthly, upon receipt of proper requisition and after complete advancement of the State Revolving Fund loan and the Infrastructure Fund loan.
2.	Special Conditions (if any)	None
3.		

NOTICE: Commitment Expires December 30, 2000

D. Other Funding Sources:

1.	State Revolving Fund Loan	$ 318,300 (½ % 30 years)
2.	Small Cities Block Grant	$ 1,250,000
3.	Appalachian regional Council Grant	$ 750,000
4.	City Contribution	$ 19,400

E. Proposed User rates: $30.75 / 4500 gallons

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 20th day of December, 2000, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of the City of Benwood (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), of the Issuer, in the principal amount of $318,300, numbered AR-1 (the "Series 2000 A Bonds"), and the Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), of the Issuer, in the principal amount of $245,600, numbered BR-1 (the "Series 2000 B Bonds"), both issued as a single, fully registered Bond, and both dated December 20, 2000.

2. At the time of such receipt, all the Series 2000 A Bonds and the Series 2000 B Bonds had been executed by the Mayor and the City Clerk of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2000 A Bonds, of the sum of $15,915, being a portion of the principal amount of the Series 2000 A Bonds. The balance of the principal amount of the Series 2000 A Bonds will be advanced by the Authority and the West Virginia Division of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

4. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2000 B Bonds, of the sum of $245,600, being the entire principal amount of the Series 2000 B Bonds.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Authorized Representative

CITY OF BENWOOD

Mayor

12/8/00
066650/98001

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Branch Banking and Trust Company
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 20th day of December, 2000, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the City of Benwood Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), in the principal amount of $318,300 (the "Series 2000 A Bonds"), and Bond No. BR-1, constituting the entire original issue of the City of Benwood Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), in the principal amount of $245,600 (the "Series 2000 B Bonds"), both dated December 20, 2000 (collectively, the "Bonds"), executed by the Mayor and the City Clerk of the City of Benwood (the "Issuer") and bearing the official seal of the Issuer, respectively authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on December 12, 2000, and a Supplemental Resolution duly adopted by the Issuer on December 12, 2000 (collectively, the "Bond Legislation");

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

(3) Executed counterparts of the Bond Purchase Agreement for the Series 2000 A Bonds, dated November 21, 2000, by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Division of Environmental Protection, and a Loan Agreement for the Series 2000 B Bonds, dated December 20, 2000, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (collectively, the "Loan Agreement"); and

(4) Executed opinions of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Series 2000 A Bonds to the Authority upon payment to the Issuer of the sum of $15,915, representing a portion of the principal amount of the Series 2000 A Bonds. You are also hereby requested and authorized to deliver the Series 2000 B Bonds to the Authority upon payment to the Issuer of the sum of $245,600, representing the entire principal amount of the Series 2000 B Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated as of the day and year first written above.

CITY OF BENWOOD

Lawrence Ferrera Jr.
Mayor

12/8/00
066650/98001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BOND, SERIES 2000 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $318,300

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall 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 THREE HUNDRED EIGHTEEN THOUSAND THREE HUNDRED DOLLARS ($318,300), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, as set forth on EXHIBIT B attached hereto.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Division of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated November 21, 2000.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the

Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on December 12, 2000, and a Supplemental Resolution duly adopted by the Issuer on December 12, 2000 (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 SEWER REVENUE BONDS, SERIES 2000 B (WEST VIRGINIA INFRASTRUCTURE FUND), DATED THE DATE HEREOF, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $245,600 (THE "SERIES 2000 B 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 System, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2000 B Bonds, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 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 which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 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 Series 2000 B Bonds; provided however, that so long as there exists in the Series 2000 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 to the Bonds, including the Series 2000 B 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 Branch Banking and Trust Company, 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 moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the 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, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated December 20, 2000.

[SEAL]

Mayor

SPECIMEN

ATTEST:

City Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 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: December 20, 2000.

BRANCH BANKING AND TRUST COMPANY,
as Registrar



Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$15,915	12/20/00	(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

City of Benwood (West Virginia)

Loan of $318,300
30 Years, 0% Interest Rate, 0.5% Administrative Fee
Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	-	-	-
3/01/2002	-	-	-
6/01/2002	2,653.00	-	2,653.00
9/01/2002	2,653.00	-	2,653.00
12/01/2002	2,653.00	-	2,653.00
3/01/2003	2,653.00	-	2,653.00
6/01/2003	2,653.00	-	2,653.00
9/01/2003	2,653.00	-	2,653.00
12/01/2003	2,653.00	-	2,653.00
3/01/2004	2,653.00	-	2,653.00
6/01/2004	2,653.00	-	2,653.00
9/01/2004	2,653.00	-	2,653.00
12/01/2004	2,653.00	-	2,653.00
3/01/2005	2,653.00	-	2,653.00
6/01/2005	2,653.00	-	2,653.00
9/01/2005	2,653.00	-	2,653.00
12/01/2005	2,653.00	-	2,653.00
3/01/2006	2,653.00	-	2,653.00
6/01/2006	2,653.00	-	2,653.00
9/01/2006	2,653.00	-	2,653.00
12/01/2006	2,653.00	-	2,653.00
3/01/2007	2,653.00	-	2,653.00
6/01/2007	2,653.00	-	2,653.00
9/01/2007	2,653.00	-	2,653.00
12/01/2007	2,653.00	-	2,653.00
3/01/2008	2,653.00	-	2,653.00
6/01/2008	2,653.00	-	2,653.00
9/01/2008	2,653.00	-	2,653.00
12/01/2008	2,653.00	-	2,653.00
3/01/2009	2,653.00	-	2,653.00
6/01/2009	2,653.00	-	2,653.00
9/01/2009	2,653.00	-	2,653.00
12/01/2009	2,653.00	-	2,653.00
3/01/2010	2,653.00	-	2,653.00
6/01/2010	2,653.00	-	2,653.00
9/01/2010	2,653.00	-	2,653.00
12/01/2010	2,653.00	-	2,653.00
3/01/2011	2,653.00	-	2,653.00
6/01/2011	2,653.00	-	2,653.00
9/01/2011	2,653.00	-	2,653.00
12/01/2011	2,653.00	-	2,653.00
3/01/2012	2,653.00	-	2,653.00
6/01/2012	2,653.00	-	2,653.00

City of Benwood (West Virginia)

Loan of $318,300

30 Years, 0% Interest Rate, 0.5% Administrative Fee

Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2012	2,653.00	-	2,653.00
12/01/2012	2,653.00	-	2,653.00
3/01/2013	2,653.00	-	2,653.00
6/01/2013	2,653.00	-	2,653.00
9/01/2013	2,653.00	-	2,653.00
12/01/2013	2,653.00	-	2,653.00
3/01/2014	2,653.00	-	2,653.00
6/01/2014	2,653.00	-	2,653.00
9/01/2014	2,653.00	-	2,653.00
12/01/2014	2,653.00	-	2,653.00
3/01/2015	2,653.00	-	2,653.00
6/01/2015	2,653.00	-	2,653.00
9/01/2015	2,653.00	-	2,653.00
12/01/2015	2,653.00	-	2,653.00
3/01/2016	2,653.00	-	2,653.00
6/01/2016	2,653.00	-	2,653.00
9/01/2016	2,653.00	-	2,653.00
12/01/2016	2,653.00	-	2,653.00
3/01/2017	2,653.00	-	2,653.00
6/01/2017	2,652.00	-	2,652.00
9/01/2017	2,652.00	-	2,652.00
12/01/2017	2,652.00	-	2,652.00
3/01/2018	2,652.00	-	2,652.00
6/01/2018	2,652.00	-	2,652.00
9/01/2018	2,652.00	-	2,652.00
12/01/2018	2,652.00	-	2,652.00
3/01/2019	2,652.00	-	2,652.00
6/01/2019	2,652.00	-	2,652.00
9/01/2019	2,652.00	-	2,652.00
12/01/2019	2,652.00	-	2,652.00
3/01/2020	2,652.00	-	2,652.00
6/01/2020	2,652.00	-	2,652.00
9/01/2020	2,652.00	-	2,652.00
12/01/2020	2,652.00	-	2,652.00
3/01/2021	2,652.00	-	2,652.00
6/01/2021	2,652.00	-	2,652.00
9/01/2021	2,652.00	-	2,652.00
12/01/2021	2,652.00	-	2,652.00
3/01/2022	2,652.00	-	2,652.00
6/01/2022	2,652.00	-	2,652.00
9/01/2022	2,652.00	-	2,652.00
12/01/2022	2,652.00	-	2,652.00
3/01/2023	2,652.00	-	2,652.00
6/01/2023	2,652.00	-	2,652.00
9/01/2023	2,652.00	-	2,652.00
12/01/2023	2,652.00	-	2,652.00

City of Benwood (West Virginia)

Loan of $318,300

30 Years, 0% Interest Rate, 0.5% Administrative Fee

Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2024	2,652.00	-	2,652.00
6/01/2024	2,652.00	-	2,652.00
9/01/2024	2,652.00	-	2,652.00
12/01/2024	2,652.00	-	2,652.00
3/01/2025	2,652.00	-	2,652.00
6/01/2025	2,652.00	-	2,652.00
9/01/2025	2,652.00	-	2,652.00
12/01/2025	2,652.00	-	2,652.00
3/01/2026	2,652.00	-	2,652.00
6/01/2026	2,652.00	-	2,652.00
9/01/2026	2,652.00	-	2,652.00
12/01/2026	2,652.00	-	2,652.00
3/01/2027	2,652.00	-	2,652.00
6/01/2027	2,652.00	-	2,652.00
9/01/2027	2,652.00	-	2,652.00
12/01/2027	2,652.00	-	2,652.00
3/01/2028	2,652.00	-	2,652.00
6/01/2028	2,652.00	-	2,652.00
9/01/2028	2,652.00	-	2,652.00
12/01/2028	2,652.00	-	2,652.00
3/01/2029	2,652.00	-	2,652.00
6/01/2029	2,652.00	-	2,652.00
9/01/2029	2,652.00	-	2,652.00
12/01/2029	2,652.00	-	2,652.00
3/01/2030	2,652.00	-	2,652.00
6/01/2030	2,652.00	-	2,652.00
9/01/2030	2,652.00	-	2,652.00
12/01/2030	2,652.00	-	2,652.00
3/01/2031	2,652.00	-	2,652.00
6/01/2031	2,652.00	-	2,652.00
9/01/2031	2,652.00	-	2,652.00
12/01/2031	2,652.00	-	2,652.00
3/01/2032	2,652.00	-	2,652.00
Total	318,300.00	-	318,300.00 *

*Plus $200.58 one-half percent administrative fee paid quarterly.
Total fee paid over the life of the loan is $24,069.60.

City of Benwood (West Virginia)

Loan of $318,300

30 Years, 0% Interest Rate; 0.5% Administrative Fee

Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

YIELD STATISTICS

Bond Year Dollars	$5,199.33
Average Life	16.335 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	3.12E-12
Bond Yield for Arbitrage Purposes	3.12E-12
All Inclusive Cost (AIC)	0.4615009%

IRS FORM 8038

Net Interest Cost	-
Weighted Average Maturity	16.335 Years

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:

_____

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF BENWOOD
SEWER REVENUE BOND, SERIES 2000 B
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. BR-1 $245,600

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of TWO HUNDRED FORTY-FIVE THOUSAND SIX HUNDRED DOLLARS ($245,600), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1,2002, as set forth on the " Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

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 Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated December 20, 2000.

This Bond is issued to pay in full the outstanding principal of and interest accrued on the Issuer's Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program). The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and

Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on December 12, 2000, and a Supplemental Resolution duly adopted by the Issuer on December 12, 2000 (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 SEWER REVENUE BONDS, SERIES 2000 A (WEST VIRGINIA SRF PROGRAM), DATED THE DATE HEREOF, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $318,300 (THE "SERIES 2000 A 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 System, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2000 A Bonds and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 2000 B 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 which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the moneys in the Series 2000 B 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 Series 2000 A Bonds; provided however, that so long as there exists in the Series 2000 B 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 the Series 2000 A 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 Branch Banking and Trust Company, 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 moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the 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, the CITY OF BENWOOD has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its City Clerk, and has caused this Bond to be dated December 20, 2000.

[SEAL]

Mayor

SPECIMEN

ATTEST:

City Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2000 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: December 20, 2000.

BRANCH BANKING AND TRUST COMPANY, as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$245,600	12/20/00	(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 $245,600

EXHIBIT B

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate
Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2001	-	-	-
6/01/2001	-	-	-
9/01/2001	-	-	-
12/01/2001	-	-	-
3/01/2002	-	-	-
6/01/2002	1,585.00	-	1,585.00
9/01/2002	1,585.00	-	1,585.00
12/01/2002	1,585.00	-	1,585.00
3/01/2003	1,585.00	-	1,585.00
6/01/2003	1,585.00	-	1,585.00
9/01/2003	1,585.00	-	1,585.00
12/01/2003	1,585.00	-	1,585.00
3/01/2004	1,585.00	-	1,585.00
6/01/2004	1,585.00	-	1,585.00
9/01/2004	1,585.00	-	1,585.00
12/01/2004	1,585.00	-	1,585.00
3/01/2005	1,585.00	-	1,585.00
6/01/2005	1,585.00	-	1,585.00
9/01/2005	1,585.00	-	1,585.00
12/01/2005	1,585.00	-	1,585.00
3/01/2006	1,585.00	-	1,585.00
6/01/2006	1,585.00	-	1,585.00
9/01/2006	1,585.00	-	1,585.00
12/01/2006	1,585.00	-	1,585.00
3/01/2007	1,585.00	-	1,585.00
6/01/2007	1,585.00	-	1,585.00
9/01/2007	1,585.00	-	1,585.00
12/01/2007	1,585.00	-	1,585.00
3/01/2008	1,585.00	-	1,585.00
6/01/2008	1,585.00	-	1,585.00
9/01/2008	1,585.00	-	1,585.00
12/01/2008	1,585.00	-	1,585.00
3/01/2009	1,585.00	-	1,585.00
6/01/2009	1,585.00	-	1,585.00
9/01/2009	1,585.00	-	1,585.00
12/01/2009	1,585.00	-	1,585.00
3/01/2010	1,585.00	-	1,585.00
6/01/2010	1,585.00	-	1,585.00
9/01/2010	1,585.00	-	1,585.00
12/01/2010	1,585.00	-	1,585.00
3/01/2011	1,585.00	-	1,585.00
6/01/2011	1,585.00	-	1,585.00
9/01/2011	1,585.00	-	1,585.00
12/01/2011	1,585.00	-	1,585.00
3/01/2012	1,585.00	-	1,585.00
6/01/2012	1,585.00	-	1,585.00

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate
Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2012	1,585.00	-	1,585.00
12/01/2012	1,585.00	-	1,585.00
3/01/2013	1,585.00	-	1,585.00
6/01/2013	1,585.00	-	1,585.00
9/01/2013	1,585.00	-	1,585.00
12/01/2013	1,585.00	-	1,585.00
3/01/2014	1,585.00	-	1,585.00
6/01/2014	1,585.00	-	1,585.00
9/01/2014	1,585.00	-	1,585.00
12/01/2014	1,585.00	-	1,585.00
3/01/2015	1,585.00	-	1,585.00
6/01/2015	1,585.00	-	1,585.00
9/01/2015	1,585.00	-	1,585.00
12/01/2015	1,585.00	-	1,585.00
3/01/2016	1,585.00	-	1,585.00
6/01/2016	1,585.00	-	1,585.00
9/01/2016	1,585.00	-	1,585.00
12/01/2016	1,585.00	-	1,585.00
3/01/2017	1,585.00	-	1,585.00
6/01/2017	1,585.00	-	1,585.00
9/01/2017	1,585.00	-	1,585.00
12/01/2017	1,585.00	-	1,585.00
3/01/2018	1,585.00	-	1,585.00
6/01/2018	1,585.00	-	1,585.00
9/01/2018	1,585.00	-	1,585.00
12/01/2018	1,585.00	-	1,585.00
3/01/2019	1,585.00	-	1,585.00
6/01/2019	1,585.00	-	1,585.00
9/01/2019	1,585.00	-	1,585.00
12/01/2019	1,585.00	-	1,585.00
3/01/2020	1,585.00	-	1,585.00
6/01/2020	1,585.00	-	1,585.00
9/01/2020	1,585.00	-	1,585.00
12/01/2020	1,585.00	-	1,585.00
3/01/2021	1,585.00	-	1,585.00
6/01/2021	1,585.00	-	1,585.00
9/01/2021	1,585.00	-	1,585.00
12/01/2021	1,585.00	-	1,585.00
3/01/2022	1,585.00	-	1,585.00
6/01/2022	1,584.00	-	1,584.00
9/01/2022	1,584.00	-	1,584.00
12/01/2022	1,584.00	-	1,584.00
3/01/2023	1,584.00	-	1,584.00
6/01/2023	1,584.00	-	1,584.00
9/01/2023	1,584.00	-	1,584.00
12/01/2023	1,584.00	-	1,584.00

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate
Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2024	1,584.00	-	1,584.00
6/01/2024	1,584.00	-	1,584.00
9/01/2024	1,584.00	-	1,584.00
12/01/2024	1,584.00	-	1,584.00
3/01/2025	1,584.00	-	1,584.00
6/01/2025	1,584.00	-	1,584.00
9/01/2025	1,584.00	-	1,584.00
12/01/2025	1,584.00	-	1,584.00
3/01/2026	1,584.00	-	1,584.00
6/01/2026	1,584.00	-	1,584.00
9/01/2026	1,584.00	-	1,584.00
12/01/2026	1,584.00	-	1,584.00
3/01/2027	1,584.00	-	1,584.00
6/01/2027	1,584.00	-	1,584.00
9/01/2027	1,584.00	-	1,584.00
12/01/2027	1,584.00	-	1,584.00
3/01/2028	1,584.00	-	1,584.00
6/01/2028	1,584.00	-	1,584.00
9/01/2028	1,584.00	-	1,584.00
12/01/2028	1,584.00	-	1,584.00
3/01/2029	1,584.00	-	1,584.00
6/01/2029	1,584.00	-	1,584.00
9/01/2029	1,584.00	-	1,584.00
12/01/2029	1,584.00	-	1,584.00
3/01/2030	1,584.00	-	1,584.00
6/01/2030	1,584.00	-	1,584.00
9/01/2030	1,584.00	-	1,584.00
12/01/2030	1,584.00	-	1,584.00
3/01/2031	1,584.00	-	1,584.00
6/01/2031	1,584.00	-	1,584.00
9/01/2031	1,584.00	-	1,584.00
12/01/2031	1,584.00	-	1,584.00
3/01/2032	1,584.00	-	1,584.00
6/01/2032	1,584.00	-	1,584.00
9/01/2032	1,584.00	-	1,584.00
12/01/2032	1,584.00	-	1,584.00
3/01/2033	1,584.00	-	1,584.00
6/01/2033	1,584.00	-	1,584.00
9/01/2033	1,584.00	-	1,584.00
12/01/2033	1,584.00	-	1,584.00
3/01/2034	1,584.00	-	1,584.00
6/01/2034	1,584.00	-	1,584.00
9/01/2034	1,584.00	-	1,584.00
12/01/2034	1,584.00	-	1,584.00
3/01/2035	1,584.00	-	1,584.00
6/01/2035	1,584.00	-	1,584.00

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate
Closing Date: December 15, 2000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2035	1,584.00	-	1,584.00
12/01/2035	1,584.00	-	1,584.00
3/01/2036	1,584.00	-	1,584.00
6/01/2036	1,584.00	-	1,584.00
9/01/2036	1,584.00	-	1,584.00
12/01/2036	1,584.00	-	1,584.00
3/01/2037	1,584.00	-	1,584.00
6/01/2037	1,584.00	-	1,584.00
9/01/2037	1,584.00	-	1,584.00
12/01/2037	1,584.00	-	1,584.00
3/01/2038	1,584.00	-	1,584.00
6/01/2038	1,584.00	-	1,584.00
9/01/2038	1,584.00	-	1,584.00
12/01/2038	1,584.00	-	1,584.00
3/01/2039	1,584.00	-	1,584.00
6/01/2039	1,584.00	-	1,584.00
9/01/2039	1,584.00	-	1,584.00
12/01/2039	1,584.00	-	1,584.00
3/01/2040	1,584.00	-	1,584.00
6/01/2040	1,584.00	-	1,584.00
9/01/2040	1,584.00	-	1,584.00
12/01/2040	1,584.00	-	1,584.00
Total	245,600.00	-	245,600.00

YIELD STATISTICS

Bond Year Dollars	$5,085.90
Average Life	20.708 Years
Average Coupon	-

IRS FORM 8038

Net Interest Cost	-
Weighted Average Maturity	20.708 Years

City of Benwood (West Virginia)

Loan of $245,600
40 Years, 0% Interest Rate
Closing Date: December 15, 2000

SOURCES & USES

Dated 12/15/2000 **Delivered 12/15/2000**

SOURCES OF FUNDS	
Par Amount of Bonds	$245,600.00
TOTAL SOURCES	$245,600.00
USES OF FUNDS	
Deposit to Project Construction Fund	245,600.00
TOTAL USES	$245,600.00

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:

_____

SCHEDULE I
TO CITY OF BENWOOD FINANCING STATEMENT

All Net Revenues from the System; the System; all funds in the Revenue Fund, the Renewal and Replacement Fund, the Series 2000 A Bonds Construction Trust Fund, the Series 2000 A Bonds Reserve Account, the Series 2000 A Bonds Sinking Fund, the Series 2000 B Bonds Construction Trust Fund, the Series 2000 B Bonds Reserve Account, the Series 2000 B Bonds Sinking Fund; and all funds therein deposited from time to time; and all proceeds of the foregoing.

For the purposes of this financing statement, these terms are defined as follows:

"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 SRF Administrative Fee, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and Paying Agent (all as hereinafter defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the 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.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by Section 5.01 of the Bond Ordinance as described below.

"Revenue Fund" means the Revenue Fund established by Section 5.01 of the Bond Ordinance as described below.

"Series 2000 A Bonds Construction Trust Fund" means the Series 2000 A Bonds Construction Trust Fund established by Section 5.01 of the Bond Ordinance as described below.

"Series 2000 A Bonds Reserve Account" means the Series 2000 A Bonds Reserve Account established by Section 5.02 of the Bond Ordinance as described below.

"Series 2000 A Bonds Sinking Fund" means the Series 2000 A Bond Sinking Fund established by Section 5.02 of the Bond Ordinance as described below.

"Series 2000 B Bonds Construction Trust Fund" means the Series 2000 B Bonds Construction Trust Fund established by Section 5.01 of the Bond Ordinance as described below.

"Series 2000 B Bonds Reserve Account" means the Series 2000 B Bonds Reserve Account established by Section 5.02 of the Bond Ordinance as described below.

"Series 2000 B Bonds Sinking Fund" means the Series 2000 B Bonds Sinking Fund established by Section 5.02 of the Bond Ordinance as described below.

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

Other terms used in this Schedule I and not defined herein shall have the meanings ascribed to them in the Bond Ordinance authorizing the City of Benwood Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program) and Series 2000 B (West Virginia Infrastructure Fund), a copy of which is on file and may be inspected at the office of the Secured Party indicated above.

12/8/00
066650/98001

STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SIXTH FLOOR

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

FACSIMILE (304) 624-8183

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

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

126 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-6991
FACSIMILE (304) 262-3841

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

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

ALAN B. MOLLOHAN INNOVATION CENTER
1000 TECHNOLOGY DRIVE
SUITE 2210
FAIRMONT, W. VA. 26554-8824
(304) 368-8000
FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

December 20, 2000

City of Benwood
Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program)

City of Benwood
Benwood, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Division of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Benwood (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $318,300 Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a bond purchase agreement, dated November 21, 2000, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, and ending March 1, 2032, all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of

(i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on December 12, 2000, as supplemented by a Supplemental Resolution duly adopted by the Issuer on December 12, 2000 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

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

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

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation 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 Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated December 20, 2000, issued concurrently herewith in the original aggregate principal amount of $245,600, all in accordance with the terms of the Bonds and the Bond Legislation.

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

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

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

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

Very truly yours,



STEPTOE & JOHNSON

12/8/00
066650/98001

STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SEVENTH FLOOR

P. O. BOX 1588

CHARLESTON, W. VA. 25326-1588

(304) 353-8000

FACSIMILE (304) 353-8180

BANK ONE CENTER, SIXTH FLOOR
P. O. BOX 2190
CLARKSBURG, W. VA. 26302-2190
(304) 624-8000
FACSIMILE (304) 624-8183

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

128 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-6981
FACSIMILE (304) 262-3541

RILEY BUILDING, FOURTH FLOOR
14TH AND CHAPLINE STREETS
P. O. BOX 180
WHEELING, W. VA. 26003-0020
(304) 233-0000
FACSIMILE (304) 233-0014

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

ALAN B. MOLLOHAN INNOVATION CENTER
1000 TECHNOLOGY DRIVE
P. O. BOX 2210
FAIRMONT, W. VA. 26554-8824
(304) 368-8000
FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

December 20,2000

City of Benwood
Sewer Revenue Bonds,
Series 2000 B (West Virginia Infrastructure Fund)

City of Benwood
Benwood, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Benwood (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $245,600 Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated December 20, 2000, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between among the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2002, and ending December 1, 2040, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purpose of

paying in full the outstanding principal of and interest accrued on the Issuer's Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program).

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on December 12, 2000, as supplemented by a Supplemental Resolution duly adopted by the Issuer on December 12, 2000 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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

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

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation 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 Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), dated December 20, 2000, issued concurrently herewith in the original aggregate principal amount of $318,300, all in accordance with the terms of the Bonds and the Bond Legislation.

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

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

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

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

Very truly yours,



STEPTOE & JOHNSON

12/8/00
066650/98001

Berry, Kessler, Crutchfield & Taylor

Attorneys At Law

Rodney T. Berry
Jeffrey V. Kessler
Steven T. Taylor
Diana H. Crutchfield
Eric M. Gordon
Jeffrey D. Cramer (WV & OH)
Brooks K. Barkwill

514 Seventh Street
Moundsville, WV 26041

Telephone: (304) 845-2580
Facsimile: (304) 845-9055

705 Maple Avenue
New Martinsville, WV 26155

Telephone: (304) 455-6724
Facsimile: (304) 455-6749

E-Mail: bkct@justiceforyou.net

Toll-Free: (800) 547-8779

Please Reply To: Moundsville

December 20, 2000

City of Benwood
Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

City of Benwood
Benwood, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Division of
Environmental Protection
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Steptoe & Johnson
Charleston, West Virginia

Ladies and Gentlemen:

I am counsel to the City of Benwood in Marshall County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, a bond purchase agreement for the Series 2000 A Bonds, dated November 21, 2000, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the

West Virginia Division of Environmental Protection (the "DEP"), a loan agreement for the Series 2000 B Bonds, dated December 20, 2000, including all schedules and exhibits attached thereto, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (collectively, the "Loan Agreement"), a Bond Ordinance duly enacted by the Issuer on December 12, 2000, as supplemented by a Supplemental Resolution duly adopted by the Issuer on December 12, 2000 (collectively, the "Bond Legislation"), a Petition of the Sanitary Board duly adopted on November 14, 2000, and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

i. The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia, and the Mayor, City Clerk and members of the council of the Issuer and the Sanitary Board have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities. The Sanitary Board has been duly created by the Issuer and is validly existing as a sanitary board under the Act.

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

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

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

v. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

vi. The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Final Order entered on June 16, 1999, in Case No. 99-0128-S-CN, the Commission Order entered on October 15, 1999, in Case No. 99-0891-S-PC, and the Commission Order entered on December 15, 2000, in Case No. 99-0128-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order and the Commission Order entered on October 15, 1999, has expired prior to the date hereof without any appeal. The time for appeal of the Commission Order entered on December 15, 2000, has not expired prior to the date hereof. However, the Issuer and the other parties to such Commission Order have stated that they do not intend to appeal such Order. Such Order is not subject to appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

vii. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the West Virginia Division of Environmental Protection, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges.

viii. Prior to the execution of construction contracts by the Issuer, I will verify that all successful bidders have made required provisions for all insurance and payment and performance bonds and I will verify such insurance policies or binders and such bonds for accuracy. Prior to the execution of construction contracts by the Issuer, I will review the contracts, the surety bonds and the policies or other evidence of

insurance coverage in connection with the Project and verify that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,

Eric M. Gordon, Esquire
Counsel for the City of Benwood

Berry, Kessler, Crutchfield & Taylor

Attorneys At Law

Rodney T. Berry
Jeffrey V. Kessler
Steven T. Taylor
Diana H. Crutchfield
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Toll-Free: (800) 547-8779

Please Reply To: Moundsville

December 14, 2000

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

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

West Virginia Division of Environmental Protection
617 ½ Leon Sullivan Way
Charleston, WV 25301

RE: ***City of Benwood, West Virginia***
City of Benwood, West Virginia Wastewater System Improvements

Dear Ladies and Gentlemen:

This firm represents The City of Benwood, West Virginia, with regard to a proposed project to improve said City's wastewater system, and provides this final title opinion on behalf of said City to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council (the "Council") and the West Virginia Division of Environmental Protection (the "DEP) for the Project. Please be advised of the following:

1. That I am of the opinion that the City of Benwood is a duly created and existing municipal corporation possessed with all the powers and authority granted to municipal corporations under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the Project as approved by the DEP.

2. That the City of Benwood has obtained all necessary permits and approvals for the construction of the Project.

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned MAYOR and CITY CLERK of the City of Benwood in Marshall County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the ISSUER, hereby certify in connection with the Issuer's Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), and Series 2000 B (West Virginia Infrastructure Fund), both dated the date hereof (collectively, the "Bonds" or the "Series 2000 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond

Ordinance of the Issuer duly enacted December 12, 2000, and the Supplemental Resolution duly adopted December 12, 2000 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation of the System, the receipt of the Net Revenues, or in any way contesting or affecting the validity of the Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the collection of the Gross Revenues or the pledge of Net Revenues as security for the Bonds.

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

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

Following the refunding of the Sewer Refunding Revenue Bonds, Series 1997 A and the Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program) on the date hereof, there will be no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

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

Bond Ordinance

Supplemental Resolution

SRF Bond Purchase Agreement

Infrastructure Council Loan Agreement

Public Service Commission Orders

Infrastructure and Jobs Development Council Approval

Charter

Oaths of Office of Officers and Councilmembers

Ordinance Creating Sanitary Board

Petition of Sanitary Board

Sewer Rate Ordinance

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

Minutes on Adoption and Enactment of Sewer Rate Ordinance

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

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

NPDES Permit

Agreement between the City of Wheeling and the City of Benwood

Infrastructure Council Grant Agreement

Appalachian Regional Commission Grant Agreement

Small Cities Block Grant Agreement

Receipt of Payment of Series 1997 A Bonds

Receipt of Payment of Series 1997 B Bonds

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "City of Benwood." The Issuer is a municipal corporation in Marshall County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its council, consisting of a Mayor, and 8 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name			Date of Commencement of Office	Date of Termination of Office
Lawrence Ferrera, Jr.	-	Mayor	July 1, 2000	June 30, 2002
Lawrence Ferrera, III	-	Councilmember	July 1, 1998	June 30, 2002
Ed Kuca, Jr.	-	Councilmember	July 1, 2000	June 30, 2004
Dale Kortepeter	-	Councilmember	July 1, 1998	June 30, 2002
Sonia Lewandoski	-	Councilmember	July 1, 2000	June 30, 2004
Lori Longwell	-	Councilmember	July 1, 2000	June 30, 2004
Robert Smith	-	Councilmember	July 1, 2000	June 30, 2004
Joseph Tellitocci, Jr.	-	Councilmember	July 1, 1998	June 30, 2002
Walter Yates	-	Councilmember	July 1, 1998	June 30, 2002

The names of the duly appointed, qualified and acting members of the Sanitary Board of the Issuer are as follows:

Chairman	-	Lawrence Ferrera, Jr.
Member	-	Paul Foose, P.E.
Member	-	Randy Doty

The duly appointed and acting City Clerk of the Issuer is Carmella A. Szymialis. The duly appointed and acting Counsel to the Issuer is Berry, Kessler, Crutchfield & Taylor, in Moundsville, West Virginia.

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

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

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

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

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

11. RATES: The Issuer has duly enacted a sewer rate ordinance on June 9, 1998, setting rates and charges for the services of the System. The time for appeal of such sewer rate ordinance has expired prior to the date hereof without any appeal, and such rates are currently effective.

12. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond of each series, dated the date hereof, by his or her manual signature, and the undersigned City Clerk did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority

as the original purchaser of the Bonds under the Loan Agreements. Said official seal of the Issuer is also impressed above the signatures appearing on this certificate.

13. BOND PROCEEDS: On the date hereof, the Issuer received $15,915 from the Authority and the DEP, being a portion of the principal amount of the Series 2000 A Bonds and $245,600 from the Authority and the Council, being the entire principal amount of the Series 2000 B Bonds. The balance of the principal amount of the Series 2000 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the *Moundsville Daily Echo*, the *Wheeling Intelligencer* and the *Wheeling News-Register*, three qualified newspapers of general circulation in the City of Benwood, there being no newspaper published therein, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 12th day of December, 2000, at 7:00 p.m., at the Benwood City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the City Clerk of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

15. PUBLIC SERVICE COMMISSION ORDERS: The Issuer has received the Final Order entered on June 16, 1999, in Case No. 99-0128-S-CN, the Commission Order entered on October 15, 1999, in Case No. 99-0891-S-PC, and the Commission Order entered on December 15, 2000, in Case No. 99-0128-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order and the Commission Order entered on June 16, 1999 and October 15, 1999, has expired prior to the date hereof without any appeal. The time for appeal of the Commission Order entered on December 15, 2000, has not expired prior to the date hereof. However, the Issuer hereby certifies that it does not intend to appeal such Commission Order and the other parties to such Order have stated that they do not intend to appeal such Order. Such Order is not subject to appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

16. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Bonds.

17. CONFLICT OF INTEREST: No officer or employee of the Issuer or the 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 Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

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

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

WITNESS our signatures and the official seal of the CITY OF BENWOOD on this 20th day of December, 2000.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Mayor
	City Clerk
	Counsel to the Issuer

12/8/00
066650/98001

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Craig D. Richards, Registered Professional Engineer, West Virginia License No. 10358, of Burgess & Niple, Limited, Parkersburg, West Virginia, hereby certify that: my firm is the engineer for the planning, design and construction of certain additions, betterments and improvements (the "Project") to the existing public sewerage system (the "System") of the City of Benwood (the "Issuer"), to be constructed primarily in Marshall County, West Virginia, which planning, design and construction are being financed in part by the proceeds of the above-captioned bonds (collectively, the "Bonds" or individually, the "Series 2000 A Bonds" and the "Series 2000 B Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Ordinance enacted by the Issuer on December 12, 2000, as supplemented by the Supplemental Resolution adopted by the Issuer on December 12, 2000, and the Bond Purchase Agreement for the Series 2000 A Bonds, by and among the Issuer, the West Virginia Division of Environmental Protection (the "DEP") and the West Virginia Water Development Authority (the "Authority"), dated November 21, 2000, and the Loan Agreement for the Series 2000 B Bonds, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated December 20, 2000 (collectively, the "Loan Agreement"):

1. The Series 2000 A Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance and related costs.

2. The Series 2000 B Bonds are being issued for the purposes of (i) paying in full the entire outstanding principal of and all interest accrued on the Issuer's Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program); (ii) paying a portion of the costs of acquisition and construction of the Project; and (iii) paying certain costs of issuance and related costs.

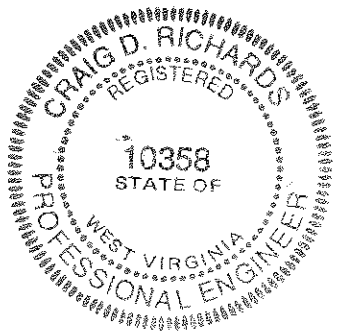
The undersigned hereby certifies that to the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and

approved by the DEP and the Council and any change orders approved by the Issuer, the Council, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least forty years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule A and the Schedule B attached hereto as Exhibit A, and in reliance upon the opinion of Issuer's counsel, Berry, Kessler, Crutchfield & Taylor, of even date herewith, all successful bidders will make required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds will be verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain the critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; (ix) in reliance upon the certificate of the Issuer's certified public accountant, Wiseman, Hutzel & Company, as of the effective date thereof, the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP and the Council; and (xi) attached hereto as Exhibit A is the final "Schedule A - Estimated Total Cost of Project, Sources of Funds and Cost of Financing" and the final "Schedule B - Final Total Cost of Project and Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 20th day of December, 2000.

(SEAL)

12/8/00
066650/98001



BURGESS & NIPLE, LIMITED

Craig D. Richards, P.E.
West Virginia License No. 10358

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

SCHEDULE B
CITY OF BENWOOD
WASTEWATER SYSTEM IMPROVEMENTS
December 18, 2000

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

A. Cost of Project	Total	Project Sponsors				
		IJDC *	ARC	SCBG	SRF	City
1. Construction						
a. Groundbreakers, Inc.	$2,419,825	$ 581,080	$ 583,720	$ 947,225	$ 307,800	
2. Engineering Fees	$260,775			$ 260,775		
3. Legal	$15,000	$ 15,000				
4. Repayment of Existing Loans						
a. SRF Design Loan	$430,079	$ 430,079				
b. United National Bank Loan	$27,741	$ 27,741				
5. Administration	$42,000			$ 42,000		
6. Sites and Other Lands	$0					
7. Contingency (@ 5%)	$166,280		$ 166,280			
8. Miscellaneous Costs						
a. Bond Counsel Fees for Final SRF Loan	$10,500				$ 10,500	
b. CSX Charges for Right-of-Way License Agreement	$120,000	$ 120,000				
c. Funded Reserve Account for WVIJDC and SRF Loans	$19,400					$ 19,400
9. Total of Lines 1 through 8	$3,511,600	$ 1,173,900	$ 750,000	$ 1,250,000	$ 318,300	$ 19,400

* Bond Counsel fees, and the WVIJDC funding representing that portion of the project costs for the WVIJDC loan, are not shown in Section A of this form. See Section C below.

B. Sources of Funds	
10. Project Funding	
a. ARC	$ 750,000
b. SCBG	$ 1,250,000
c. SRF	$ 318,300
d. WVIJDC Grant	$ 938,800
e. City funds	$ 19,400
f. **Total of All Funds**	$ 3,276,500
11. Net Proceeds Required from Bond Issue (Line 9 minus Line 10.f)	$ 235,100
C. Cost of Financing	
12. Other Costs	
a. Bond Counsel (for WVIJDC Funds)	$ 10,500
b. Accountant	$ -
13. Total Cost of Financing (Line 12a and 12b)	$ 10,500
14. Size of WVIJDC Bond Issue (Line 11 plus Line 13)	$ 245,600

GOVERNMENTAL AGENCY

Lawrence Ferrera, Jr.
Mayor, City of Benwood

Dec. 18 00
Date

CONSULTING ENGINEER

Craig D. Richards, PE
Project Engineer
Burgess & Niple, Limited

12-18-00
Date

Wiseman Hutzell & Co.
CERTIFIED PUBLIC ACCOUNTANTS

SUITE 710 MULL CENTER
WHEELING, WV 26003
PHONE: (304) 233-7600
FAX: (304) 233-7604

December 20, 2000

City of Benwood
Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

West Virginia Water Development
Authority
Charleston, West Virginia

West Virginia Division of
Environmental Protection
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the sewer rate ordinance of the City of Benwood (the "Issuer"), enacted June 9, 1998, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Burgess & Niple, Limited, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of the Issuer (the "System"), will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115 % of the maximum amount required in any year for debt service on the Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program). and Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund) (collectively, the "Bonds"), to be issued in the respective original aggregate principal amounts of $318,300 and $245,600 to the West Virginia Water Development Authority on the date hereof.

Very truly yours,

Wiseman Hutzell & Co.
WISEMAN HUTZELL & COMPANY

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Mayor of the City of Benwood in Marshall County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of $318,300 Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), and $245,600 Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), of the Issuer, both dated December 20, 2000 (collectively, the "Bonds" or individually, the "Series 2000 A Bonds" and the "Series 2000 B Bonds"), hereby certifies as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance duly enacted by the Issuer on December 12, 2000, as supplemented (the "Bond Ordinance"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on December 20, 2000, the date on which the Bonds are being physically delivered in exchange for an initial advance of $15,915, being a portion of the principal amount of the Series 2000 A Bonds, and $245,600, being the entire principal amount of the Series 2000 B Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority"), the West Virginia

Division of Environmental Protection (the "DEP") or the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2000 A Bonds were sold on December 20, 2000, to the Authority, pursuant to a Bond Purchase Agreement dated November 21, 2000, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of $318,300 (100% of par), at which time, the Issuer received $15,915 from the Authority and the DEP, being the first advance of the principal amount of the Series 2000 A Bonds. No accrued interest has been or will be paid on the Series 2000 A Bonds. The balance of the principal amount of the Series 2000 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2000 B Bonds were sold on December 20, 2000, to the Authority, pursuant to a loan agreement dated December 20, 2000, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of $245,600 (100% of par), at which time, the Issuer received $245,600 from the Authority and the Council, being the entire principal amount of the Series 2000 B Bonds. No accrued interest has been or will be paid on the Series 2000 B Bonds.

7. The Series 2000 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance of the Bonds and related costs.

8. The Series 2000 B Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying in full the outstanding principal of and interest accrued on the Issuer's Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program); (ii) paying a portion of the costs of acquisition and construction of the Project; and (iii) paying certain costs of issuance of the Bonds and related costs.

9. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds constituting capitalized interest, if any, and proceeds deposited in the respective Reserve Accounts for the Bonds, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be

expended for payment of costs of the Project on or before February 1, 2002. The acquisition and construction of the Project is expected to be completed by December 1, 2001.

10. The total cost of the Project financed from the proceeds of the Bonds (including all costs of issuance of the Bonds) is estimated at $3,522,100. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2000 A Bonds	$ 318,300
Proceeds of the Series 2000 B Bonds	$ 245,600
West Virginia Infrastructure Council Grant	$ 938,800
Appalachian Regional Commission Grant	$ 750,000
Small Cities Block Grant	$1,250,000
Funds of the Issuer	$ 19,400
Total Sources	$3,522,100

USES

Costs of Acquisition and Construction of the Project	$3,026,328.92
Refund Series 1997 A Bonds	$ 27,740.51
Refund Series 1997 B Bonds	$ 430,078.57
Fund Series 2000 A Bonds Reserve Account	$ 10,612.00
Fund Series 2000 B Bonds Reserve Account	$ 6,340.00
Costs of Issuance	$ 21,000.00
Total Uses	$3,522,100.00

11. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created or continued relative to the Series 2000 Bonds:

(I) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2000 A Bonds Construction Trust Fund;

(4) Series 2000 B Bonds Construction Trust Fund;
(5) Series 2000 A Bonds Sinking Fund;

(6) Series 2000 A Bonds Reserve Account;

(7) Series 2000 B Bonds Sinking Fund; and

(8) Series 2000 B Bonds Reserve Account.

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

(1) Bond proceeds in the amount of $-0- will be deposited in the Series 2000 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2000 A Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) Bond proceeds in the amount of $-0- will be deposited in the Series 2000 B Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2000 B Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(3) Series 2000 A Bonds proceeds in the amount of $-0- will be deposited in the Series 2000 A Bonds Reserve Account. The Issuer will deposit $10,612 in the Series 2000 A Bonds Reserve Account from its own funds.

(4) Series 2000 B Bonds proceeds in the amount of $-0- will be deposited in the Series 2000 B Bonds Reserve Account. The Issuer will deposit $6,340 in the Series 2000 B Bonds Reserve Account from its own funds.

(5) Series 2000 B Bonds proceeds in the amount of $245,600.00, together with proceeds of the grant from the West Virginia Infrastructure Fund in the amount of $184,478.57 will pay the entire outstanding principal of and interest on the Series 1997 B Bonds on the date hereof.

(6) The balance of the proceeds of the Series 2000 A Bonds will be deposited in the Series 2000 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2000 A Bonds and related costs.

(7) West Virginia Infrastructure Fund grant proceeds in the amount of $27,740.51 will pay the entire outstanding principal of and interest on the Series 1997 A Bonds on the date hereof.

13. Moneys held in the Series 2000 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2000 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2000 A Bonds Sinking Fund and Series 2000 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2000 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

14. Moneys held in the Series 2000 B Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2000 B Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2000 B Bonds Sinking Fund and Series 2000 B Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2000 B Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

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

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

17. With the exception of the amount deposited in the Series 2000 A Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2000 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 14 months from the date of issuance thereof.

18. With the exception of the amount deposited in the Series 2000 B Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2000 B Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 14 months from the date of issuance thereof.

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

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

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

22. 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.

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

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

25. The Bonds are not federally guaranteed.

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

27. The Issuer has either (a) funded the Series 2000 A Bonds Reserve Account and Series 2000 B Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2000 A Bonds Reserve Account and Series 2000 B Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2000 A Bonds Reserve Account and Series 2000 B Bonds Reserve Account hold an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 2000 A Bonds Reserve Account, the Series 2000 B Bonds Reserve Account, the Series 2000 A Bonds Sinking Fund and the Series 2000 B Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay costs of the Project.

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

29. 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.

30. 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.

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

WITNESS my signature on this 20th day of December, 2000.

CITY OF BENWOOD

Lawrence Ferrara Jr.

Mayor

12/8/00
066650/98001

CL649954.1

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500, Terminal Building
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 12/20/00

(See Reverse for Instructions)

ISSUE: City of Benwood Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program)

ADDRESS: 430 Main Street, Benwood, WV 26031 COUNTY: Marshall

PURPOSE OF ISSUE: New Money: X Refunding: ____

REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: 12/20/00

CLOSING DATE: 12/20/00

ISSUE AMOUNT: $318,300

RATE: 0%; Administrative Fee: 0.5%

1ST DEBT SERVICE DUE: 6/1/2002

1ST PRINCIPAL DUE: 6/1/2002

1ST DEBT SERVICE AMOUNT: $2,653

PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson
Contact Person: Vincent A. Collins, Esq.
Phone: 624-8161

UNDERWRITERS COUNSEL: Jackson & Kelly
Contact Person: Samme L. Gee, Esq.
Phone: 340-1318

CLOSING BANK: Progressive Bank,
Contact Person: Sue Reinbeau
Phone: 233-0060

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Lawrence Ferrera
Position: Mayor
Phone: 232-4320

OTHER: Division of Environmental Protection
Contact Person: Rosalie Brodersen
Function: Branch Leader
Phone: 558-0637

DEPOSITS TO MBC AT CLOSE:
By: ____ Wire, x Check

____ Accrued Interest: $____
____ Capitalized Interest: $____
x Reserve Account: $ 10,612 (see notes below)
____ Other: ____ $____

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: ____ Wire, ____ Check, ____ IGT

____ To Escrow Trustee: $____
____ To Issuer $____
____ To Cons. Invest. Fund $____
____ To Other: ____ $____

NOTES: The Issuer will deposit a check in the amount of $10,612 in the Series 2000 A Bonds Reserve Account from its own funds at closing.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: ____
TRANSFERS REQUIRED: ____

CL649283.1

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: 12/20/00

(See Reverse for Instructions)

ISSUE: City of Benwood Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund)

ADDRESS: 430 Main Street, Benwood, WV 26031 COUNTY: Marshall

PURPOSE OF ISSUE: New Money: X Refunding: X

REFUNDS ISSUE(S) DATED: 03/27/97 & 12/16/97

ISSUE DATE: 12/20/00 CLOSING DATE: 12/20/00

ISSUE AMOUNT: $245,600 RATE: 0%

1ST DEBT SERVICE DUE: 06/01/02 1ST PRINCIPAL DUE: 06/01/02

1ST DEBT SERVICE AMOUNT: $1,585 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson
Contact Person: Vincent A. Collins, Esq.
Phone: 624-8161

UNDERWRITERS COUNSEL: Jackson & Kelly
Contact Person: Samme L. Gee, Esq.
Phone: 340-1318

CLOSING BANK: Progressive Bank,
Contact Person: Sue Reinbeau
Phone: 233-0060

ESCROW TRUSTEE:
Contact Person:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Lawrence Ferrera
Position: Mayor
Phone: 232-4320

OTHER: WV Infrastructure and Jobs Development Council
Contact Person: Katy Mallory, P. E.
Function: Executive Secretary
Phone: 558-4607

DEPOSITS TO MBC AT CLOSE:

By: X Wire, X Check

___	Accrued Interest:	$
___	Capitalized Interest:	$
X	Reserve Account:	$ 6,340 (See note (1) below)
X	Other:	$ 457,819.08 (See note (2) below)

REFUNDS & TRANSFERS BY MBC AT CLOSE

By: ___ Wire, ___ Check, ___ IGT

___	To Escrow Trustee:	$
___	To Issuer	$
___	To Cons. Invest. Fund	$
___	To Other:	$

NOTES: (1) The Issuer will deposit a check in the amount of $6,340 in the Series 2000 B Bonds Reserve Account from its own funds at closing. (2) Refunding of Issuer's Sewer Refunding Revenue Bonds, Series 1997A and Sewerage System Design Revenue Bonds, Series 1997B

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

CL649290.1

29B

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

PROGRESSIVE BANK, N.A., a national banking association, in Wheeling, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the City of Benwood (the "Issuer") enacted by the Issuer on December 12, 2000, and a Supplemental Resolution adopted by the Issuer on December 12, 2000 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program) and Sewer Revenue Bonds Series 2000 B (West Virginia Infrastructure Fund), both dated December 20, 2000, issued in the respective original aggregate principal amounts of $318,300 and $245,600 (collectively, the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 20th day of December, 2000.

PROGRESSIVE BANK, N.A.

By _____
Its Assistant Vice President

12/15/00
066650/98001

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Benwood Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program) and Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), both dated December 20, 2000, issued in the respective original aggregate principal amounts of $318,300 and $245,600 (collectively, the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 20th day of December, 2000.

BRANCH BANKING AND TRUST COMPANY

Charlotte S Morgan

Assistant Vice President

12/08/00
066650/98001

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of the City of Benwood (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bond, Series 2000 A (West Virginia SRF Program), of the Issuer, dated December 20, 2000, in the principal amount of $318,300, numbered AR-1, and the single, fully registered Sewer Revenue Bond, Series 2000 B (West Virginia Infrastructure Fund), of the Issuer, dated December 20, 2000, in the principal amount of $245,600, numbered BR-1, were registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of Branch Banking and Trust Company, as Registrar.

WITNESS my signature on this 20th day of December, 2000.

BRANCH BANKING AND TRUST COMPANY

Charlotte L Morgan

Assistant Vice President

12/8/00
066650/98001

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 20th day of December, 2000, by and between the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $318,300 Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), and $245,600 Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), in fully registered form (collectively, the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted December 12, 2000, and a Supplemental Resolution of the Issuer duly adopted December 12, 2000 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: City of Benwood
430 Main Street
Benwood, West Virginia 26031
Attention: Mayor

REGISTRAR: Branch Banking and Trust Company
Post Office Box 1793
300 Summers Street
Charleston, West Virginia 25326
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

CITY OF BENWOOD

Larry Funera Jr
Mayor

BRANCH BANKING AND TRUST COMPANY

Assistant Vice President

12/8/00
066650/98001

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See attached)

CITY OF BENWOOD

Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 20th day of December, 2000, by and between the CITY OF BENWOOD, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $318,300 Sewer Revenue Bonds, Series 2000 A (West Virginia SRF Program), and $245,600 Sewer Revenue Bonds, Series 2000 B (West Virginia Infrastructure Fund), in fully registered form (collectively, the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted December 12, 2000, and a Supplemental Resolution of the Issuer duly adopted December 12, 2000 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: City of Benwood
430 Main Street
Benwood, West Virginia 26031
Attention: Mayor

REGISTRAR: Branch Banking and Trust Company
Post Office Box 1793
300 Summers Street
Charleston, West Virginia 25326
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

CITY OF BENWOOD

_____
Mayor

BRANCH BANKING AND TRUST COMPANY

Assistant Vice President

12/8/00
066650/98001

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See attached)

BB&T

Branch Banking & Trust Co.

Trust Department
Summers & Lee Street
P.O. Box 1793
Charleston, WV 25326
(304) 348-7081
(800) 336-5450

DECEMBER 20, 2000

CITY OF BENWOOD
ATTN: MAYOR
430 MAIN STREET
BENWOOD WV 26031

RE: CITY OF BENWOOD WV SEWER REVENUE BONDS, SERIES 2000 A (WV SRF PROGRAM) AND SERIES 2000 B (WV INFRASTRUCTURE FUND)

ONE TIME FEE FOR SERVICES AS REGISTRAR AND AUTHENTICATING AGENT.....$250.00

FORWARD RMITTANCE TO: BRANCH BANKING & TRUST CO
ATTN: CHARLOTTE MORGAN
TRUST DEPARTMENT
P O BOX 1793
CHARLESTON WV 25326

CECIL H. UNDERWOOD
GOVERNOR

DIVISION OF ENVIRONMENTAL PROTECTION
1201 Greenbrier Street
Charleston, WV 25311-1088

LAIDLEY ELI MCCOY, PH.D.
DIRECTOR

March 31, 1997

Honorable Anthony J. Scaffidi
Mayor, City of Benwood
Sanitary Board
430 Main Street
Benwood, WV 26031

CERTIFIED RETURN RECEIPT REQUESTED

Dear Mayor Scaffidi:

Enclosed find WV/NPDES Water Pollution Control Permit No. WV0020648, dated the 28th day of March 1997, for the City of Benwood.

All facilities permitted to discharge pollutants to the waters of the State, under Chapter 22, Article 11 of the West Virginia Code, are required to test their effluent in order to verify permit compliance. This testing is the responsibility of the permittee, and these test results are to be submitted to the office on the Discharge Monitoring Reports (DMRs), which are attached to the back of this Permit. A DMR is to be completed and received by this office, each month, no later than 20 days following the end of the reporting period. The address to which DMRs are to be sent is noted in Section E.2, Attention: Municipal Branch. It is suggested that several copies of the enclosed DMR forms be made for your future use, as this office does not supply permittees with DMR forms.

Please note the attachment to this Permit which describes the annual permit fee requirement.

Please, also, note Section G.7, on page 15, prohibiting the acceptance of new nondomestic wastewater discharges without prior Office approval.

If you have any questions, please contact Robert Bates of this office at 304-558-4086, or by TDD at 304-558-2751.

Very truly yours,

OFFICE OF WATER RESOURCES

Pravin G. Sangani, P. E.
Branch Leader

PGS:md
Enclosure

WRD 1A-82
Revised 3/93

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF WATER RESOURCES
1201 GREENBRIER STREET
CHARLESTON, WV 25311

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

WATER POLLUTION CONTROL PERMIT

Permit No. WV0020648

Subject: Sewage Facilities

Issue Date: March 28, 1997

Effective Date: April 28, 1997

Expiration Date: March 27, 2001

Supersedes: WV/NPDES Permit No. WV0020648 issued March 2, 1990.

Location:	Benwood (City)	Marshall (County)	Ohio (Drainage Basin)
	Plant A - 001	Plant B - 002	Plant D - 003
Outlet Sites: Latitude:	40° 01' 52" N	40° 00' 54" N	40° 00' 03" N
Longitude:	80° 43' 47" W	80° 44' 12" W	80° 44' 12" W

To whom it may concern:

This is to certify that City of Benwood
430 Main Street
Benwood, WV 26031

is hereby granted a NPDES Water Pollution Control Permit to operate and maintain three (3) existing 100,000 gallon per day sewage collection and treatment systems. Each system consists of the existing collection system, a grit chamber, a comminutor, a bar screen, a 100,000 gallon aeration chamber, a 17,000 gallon clarifier, chlorine disinfection with a 3,000 gallon contact tank, sludge drying beds, and all necessary appurtenances.
Each system is designed to serve a maximum of 1,000 persons in the City of Benwood. The treated wastewater is discharged to the Ohio River at the following points: Plant A (Outlet 001) - Mile Point 93.2, Plant B (Outlet 002) - Mile Point 94.2, Plant D (Outlet 003) - Mile Point 95.2 .

This permit is subject to the following terms and conditions:
Bureau of Public Health Permit Nos. 1998 and 2893.

The information submitted on and with Permit Application No. WV0020648 dated the 4th day of January 1995, and the additional sewage sludge application form dated the 29th of February 1997 are all hereby made terms and conditions of this Permit with like effect as if all such permit application information was set forth herein, and with other conditions set forth in Sections A, B, C, D, E, F, G, and H.

(Continued on Page 2)

A.1. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning April 28, 1997 and lasting through midnight, March 27, 2002 the permittee is authorized to discharge from outlet number(s) 001-Discharge from sewage treatmer facilities - Plant A

Such discharges shall be limited and monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			0.1 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	25.0	50.0	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Suspended Solids	25.0	50.0	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Kjeldahl Nitrogen (TKN)	15.0	30.0	18.0 mg/l	36.0 mg/l	1/Month	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3 of the West Virginia Legislative Rules issued pursuant to Chapter 22, Article 11.

A.2. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning April 28, 1997 and lasting through midnight, March 27, 2002 the permittee is authorized to discharge from outlet number(s) 002-Discharge from sewage treatmer facilities at Plant B

Such discharges shall be limited and monitored by the permittee as specified below:

	Discharge Limitations				Monitoring Requirements	
Effluent Characteristic	(Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Measurement Frequency	Sample Type
Flow			0.1 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	25.0	50.0	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Suspended Solids	25.0	50.0	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Kjeldahl Nitrogen (TKN)	15.0	30.0	18.0 mg/l	36.0 mg/l	1/Month	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3 of the West Virginia Legislative Rules issued pursuant to Chapter 22, Article 11.

A.3. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning April 28, 1997 and lasting through midnight, March 27, 2002 the permittee is authorized to discharge from outlet number(s) 003-Discharge from sewage treatment facilities - Plant D

Such discharges shall be limited and monitored by the permittee as specified below:

	Discharge Limitations				Monitoring Requirements	
Effluent Characteristic	(Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Measurement Frequency	Sample Type
Flow			0.1 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	25.0	50.0	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Suspended Solids	25.0	50.0	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Kjeldahl Nitrogen (TKN)	15.0	30.0	18.0 mg/l	36.0 mg/l	1/Month	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Month	Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3 of the West Virginia Legislative Rules issued pursuant to Chapter 22, Article 11.

A.2 COMBINED SEWER SYSTEM OVERFLOWS

Outlet Numbers 004 through 017, listed below, serve as combined sewer overflow points. Combined Sewer Overflows (CSOs) are allowed only when flows in combined sewers exceed conveyance capacities during wet weather periods. Dry weather overflows from these outfalls are prohibited. The permittee shall ensure that all CSOs from the combined system comply with the following requirements and other pertinent portions of this Permit.

Outlet Number	Name and Location	Receiving Stream
004	Intersection Rt. 2 & Boggs Run Rd. Overflow Manhole No. 7-A Lat: 40° 01' 31" N Long: 80° 43' 37" W	Boggs Run
005	5th St. & Alley A Diversion MH Lat: 40° 01' 06" N Long: 80° 44' 10" W	Ohio River
006	6th St. & Alley A Diversion MH Lat: 40° 01' 02" N Long: 80° 44' 11" W	Ohio River
007	Manhole at Plant B Lat: 40° 00' 53" N Long: 80° 44' 15" W	Ohio River
008	Trough under CSX yard Lat: 40° 00' 05" N Long: 80° 44' 04" W	Unnamed tributary of Ohio River
009	300 ft. East of Treatment Plant D Overflow MH Lat: 40° 00' 04" N Long: 80° 44' 08" W	Unnamed tributary of Ohio River
010	Marshall St. at 14th St. Lat: 40° 00' 26" N Long: 80° 44' 04" W	Unnamed tributary of Ohio River
011	Wheeling Pitt. Steel Co. Pipe Shop 20 ft. East of ejector station C. Lat: 40° 00' 42" N Long: 80° 44' 16" W	Ohio River
012	1st St. & Alley A near Plant A Lat: 40° 01' 50" N Long: 80° 43' 50" W	Ohio River
013	Marshall St. & 22nd St. Lat: 39° 59' 41" N Long: 80° 43' 47" W	McMechens Run
014	Deegan Ave. & 22nd St. Lat: 39° 59' 39" N Long: 80° 43' 54" W	McMechens Run

A.2 COMBINED SEWER SYSTEM OVERFLOWS (Continued)

Outlet Number	Name and Location	Receiving Stream
015	Channel behind CSX office building Lat: 40° 00' 06" N Long: 80° 44' 07" W	Unnamed Tributary of Ohio River
016	Blanch Run Rd. near 1st bridge on Boggs Run Road Lat: 40° 01' 15" N Long: 80° 43' 38" W	Boggs Run
017	North of Boggs Run Rd. & Blanch Ave. Lat: 40° 01' 21" N Long: 80° 43' 34" W	Boggs Run

a) COMPLIANCE SCHEDULE

The permittee shall comply with the CSO requirements in accordance with the following schedule:

(1) Complete and implement technology-based controls as outlined in Section A.2.b)(1) - On or before January 1, 1997

(2) Submission of report which addresses reporting requirements of Section A.2.c) - On or before January 1, 1997

(3) Evaluation of water quality impacts as outlined in Section A.2.d) - On or before January 1, 1998

(4) Completion of Long-Term Control Plan, if needed as outlined in Section A.2.e) - On or before January 1, 1999

b) EFFLUENT LIMITS

(1) **Technology-based requirements for CSOs.** The permittee shall comply with the following technology-based effluent limits in the form of narrative controls:

(A) The permittee shall implement proper operation and maintenance programs for the sewer system and all CSO outlets, with consideration given to regular sewer inspections; sewer, catch basin, and regulator cleaning; equipment and sewer collection system repair or replacement, where necessary; and disconnection of illegal connections.

(B) The permittee shall implement procedures that will maximize use of the collection system for wastewater storage.

A.2 COMBINED SEWER SYSTEM OVERFLOWS (Continued)

(C) The permittee shall conduct an inventory of industrial and commercial users to identify all nondomestic waste streams and apply pollution prevention methods, as appropriate.

(D) The permittee shall operate the Publicly Owned Treatment Works (POTW) treatment plant at maximum treatable flow during all wet weather flow conditions. The permittee shall deliver all flows to the treatment plant within the constraints of the treatment capacity of the POTW.

(E) Dry weather overflows from CSO outfalls are prohibited. All dry weather overflows must be reported to the Office of Water Resources as soon as the permittee becomes aware of the overflow. When the permittee detects a dry weather overflow, the permittee shall begin corrective action immediately. The permittee shall inspect the dry weather overflow each subsequent day until the overflow has been eliminated.

(F) The permittee shall implement controls to remove solid and floatable materials in its CSOs.

(G) The permittee shall implement a pollution prevention program focused on reducing the impact of CSOs on receiving waters.

(H) The permittee shall implement a public notification process to inform citizens of when and where CSOs occur. The process must include:

(i) a mechanism to alert persons of the occurrence of CSOs and
(ii) a system to determine the nature and duration of conditions that are potentially harmful for users of receiving waters due to CSOs.

(I) The permittee shall monitor CSO outfalls to effectively characterize CSO impacts and the efficacy of CSO controls. This information will be used to establish the existing baseline conditions, evaluate the efficacy of the CSO technology-based controls, and determine the baseline conditions upon which the long-term control plan will be based. This data shall include:

(i) All CSO outfalls in the combined sewer system
(ii) Monitoring data including duration, volume, pollutant loadings, during each overflow event for a representative number of CSOs.
(iii) Water quality data for receiving water bodies
(iv) Water quality impacts (e.g., visible floatables, fish kills, visible plumes, solids build-up in streams, violation of water quality standards including fecal coliform).

A.2 COMBINED SEWER SYSTEM OVERFLOWS (Continued)

(2) Water quality-based requirements for CSOs. The permittee shall not discharge any pollutant at a level that could cause or contribute to a violation of water quality standards. All discharges covered by this permit shall be free from the following pollutants at levels that cause or contribute to a violation of water quality standards:

(A) Floating debris, oil, grease, scum, foam, or other materials on the water surface that may create a nuisance condition, or that may in any way interfere with the attainment and maintenance of designated uses of the water.

(B) Settleable solids, sediments, sludge deposits, or suspended particles that may coat or cover submerged surfaces and create a nuisance condition, or that may in any way interfere with the attainment and maintenance of designated uses of water.

(C) Any pollutants, including those of a thermal, toxic, corrosive, bacteriological, radiological, or other nature, that may interfere with attainment and maintenance of designated uses of the water; may impart undesirable odors, tastes, or colors to the water or to aquatic life found therein; may endanger public health; or may result in dominance of nuisance species.

c) REPORTING REQUIREMENTS

Nine(9) minimum CSO control reporting. The permittee shall submit documentation that demonstrates implementation of each of the nine(9) minimum controls contained in Sections A.2.b)(1)(A) through A.2.b)(1)(I). This documentation shall be prepared as described in EPA 832-B-95-003, COMBINED SEWER OVERFLOWS: Guidance For Nine Minimum Controls. Permittees having an approved CSO Final Plan Of Action may substitute a letter certifying the implementation of the plan. The permittee shall submit this documentation to the Office of Water Resources on or before January 1, 1997.

d) EVALUATION OF WATER QUALITY IMPACTS

The permittee shall submit documentation that verifies Water Quality Standards have been maintained according to the following criteria:

(1) Analysis of water quality upstream and downstream from CSO discharges.
(2) Monitoring of the rates and durations of representative discharges during rainfall conditions.
(3) Analysis of the quality of representative discharges.

A.2 COMBINED SEWER SYSTEM OVERFLOWS (Continued)

e) LONG-TERM CONTROL PLAN

The permittee shall develop a Long-Term Control Plan (LTCP) if any water quality impacts are demonstrated and documented during an evaluation phase as outlined in Section A.2.d) or if this Office determines the water quality impacts exist. If no water quality impacts are found, the permittee is required to continue implementing its minimization plan.

f) QUARTERLY REPORTS

The permittee shall submit quarterly progress reports detailing actions taken to meet the above CSO requirements.

B. SCHEDULE OF COMPLIANCE

1. The permittee shall achieve compliance with the provisions for waste treatment and the discharge limitations specified in this permit in accordance with the following schedule:

   Effective date of permit.

2. Reports of compliance or noncompliance with, and progress reports on the interim and final requirements contained in the above compliance schedule, shall be submitted no later than 14 days following each schedule date.

C. MANAGEMENT CONDITIONS

1. Duty to Comply

(a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.

(b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.

4. Permit Actions

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit conditions.

5. Property Rights

This permit does not convey any property rights of any sort or any exclusive privilege.

6. Signatory Requirements

All applications, reports, or information submitted to the Chief shall be signed and certified as required in Title 46, Series 2, Section 4.6 of the West Virginia Legislative Rules.

7. Transfers

This permit is not transferable to any person, except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Chief, within a reasonable specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
c) Inspect at reasonable times any facilities, equipment(including monitoring and control equipment), practices, or operations regulated or required under this permit; and
d) Samples or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any locations.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 22, Article 11, Section 12 of the Code of West Virginia.

12. Water Quality

The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the State Water Resources Board.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Title 46, Series 3, Section 9 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.

14. Liabilities

a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed $10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
d) Nothing in C.14.a),b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 22, Article 11.

D. OPERATION AND MAINTENANCE

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems which are installed by the permittee only when the operation is necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by the WV Bureau of Public Health Regulations authorized under Chapter 16, Article 1, Public Health Laws, Code of West Virginia, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Chief may require a more highly skilled operator.

2. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

3. Bypass

a) Definitions
   (1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility; and
   (2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of D.3.c) and D.3.d) of this permit.

c) (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
   (2) If the permittee does not know in advance of the need for bypass, notice shall be submitted as required in F.2.b) of this permit.

d) Prohibition of bypass
   (1) Bypass is permitted only under the following conditions, and the Chief may take enforcement action against a permittee for bypass, unless;
      (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
      (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
      (C) The permittee submitted notices as required under D.3.c) of this permit.
   (2) The Chief may approve an anticipated bypass, after considering its adverse effects, if the Chief determines that it will meet the three conditions listed in D.3.d)(1) of this permit.

4. Upset

a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.

b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the requirements of D.4.c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.

c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:
   (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
   (2) The permitted facility was at the time being properly operated;
   (3) The permittee submitted notice of the upset as required in F.2.b) of this permit.
   (4) The permittee complied with any remedial measures required under C.3. of this permit.

d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit by the Chief, any solids, sludges, filter backwash or other pollutants (removed in the course of treatment or control of wastewaters) and which are intended for disposal within the State, shall be disposed of only in a manner and a site subject to the approval by the Chief. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Chief in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, and the intended place of disposal or use, as appropriate.

E. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

a) Permittee shall submit each month, according to the enclosed format, a Discharge Monitoring Report(DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s).

b) The required DMRs should be received no later than 20 days following the end of the reporting period and be addressed to:

Chief
Office of Water Resources
1201 Greenbrier Street
Charleston, WV 25311-1088
Attention: Municipal Branch

c) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.

d) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E"(i.e., number exceeding).

e) Specify frequency of analysis for each parameter as no. analyses/specified period (e.g. "3/month is equivalent to 3 analyses performed every calendar month.) if continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the permit, the permittee shall record the following information.

a) The date, exact place, and time of sampling or measurement;
b) The date(s) analyses were performed;
c) The individual(s) who performed the sampling or measurement;
d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
e) The analytical techniques or methods used, and
f) The results of such analyses.

Information not required by the DMR form is not to be submitted to this agency, but is to be retained as required in E.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated.
Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least three(3) years from the data of the sample, measurement, report or application. This period may be extended by request of the Chief at any time.

7. Definitions

a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.

b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.

c) "Maximum daily discharge limitation" means the highest allowable daily discharge.

d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval(for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.

e) "Grab Sample" is an individual sample collected in less than 15 minutes.

f) "i-s" =immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.

g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.

h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two(2) consecutive hours during a 24-hour day, or during the operating day if flows are of shorter duration.

i) The "daily average fecal coliform" bacteria is the geometric average of all samples collected during the month.

j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.

k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.

l) "Noncontact cooling water" means the water that is contained in a leak-free system, i.e. no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels, exclusive of approved anti-fouling agents.

F. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee for any responsibilities, liabilities, or penalties established pursuant to Title 46, Series 3, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.
Attached is a copy of the West Virginia Spill Alert System for use in complying with Title 46, Series 3, Section 2 of the rules as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Agency's designated spill alert telephone number. A written submission shall be provided within five(5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

b) The following shall also be reported immediately:
(1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
(2) Any upset which exceeds any effluent limitation in the permit; and
(3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.

c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.

d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Title 46, Series 3, Section 2.

3. Reporting Requirements

a) Planned changes. The permittee shall give notice to the Chief of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
(1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Title 46, Series 2 ; or
(2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. The notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under F.2. of this section.

b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural discharges must notify the Chief in writing as soon as they know or have reason to believe:
(1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, or any toxic pollutsnt which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels".
(A) One hundred micrograms per liter (100 ug/l);
(B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitro phenol: and for 2-methyl 4,6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
(C) Five(5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.9 of Title 46, Series 2;
(D) The level established by the Chief in accordance with Section 6.3.g. of Title 46, Series 2.;
(2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels".
(A) Five hundred micrograms per liter (500 ug/l);
(B) One milligram per liter (1 mg/l) for antimony;
(C) Ten(10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.h.7. of Title 46, Series 2;
(D) The level established by the Chief in accordance with Section 6.3.g. of Title 46, Series 2.;
(3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Title 46, Series 2 and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
(4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Title 46, Series 2 and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in F.2.a).

G. OTHER REQUIREMENTS

1. The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.

2. The entire sewage treatment facility shall be adequately protected by fencing.

3. Continuous maintenance and operation of the listed sewage treatment facility shall be performed by or supervised by a certified operator possessing at least a class II certificate for Waste Water Treatment Plant Operators, issued by the State of West Virginia.

4. An instantaneous flow from the sewage disposal system shall not exceed the peak design flow at any given time.

5. The arithmetic mean of values for effluent samples collected in a period of seven(7) consecutive days shall not exceed 45.0 mg/l for BOD5 and TSS and 27.0 mg/l for TKN.

6. The arithmetic mean of the effluent values of the BOD5 and TSS discharged during a period of 30 consecutive days shall not exceed 15 percent of the respective arithmetic mean of the influent values for these parameters during the same time period except as specifically authorized by the permitting authority.

7. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Chief of the Office of Water Resources as provided in Title 46, Series 2, Section 14 of the West Virginia Legislative Rules.

8. If any existing non-domestic discharge causes, or is suspected of causing, interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Chief of such violation or suspected violation.

9. If any existing non-domestic discharge is identified as being subject to a Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Chief of such identification.

H. SEWAGE SLUDGE MANAGEMENT REQUIREMENTS

1. The permittee shall monitor and report monthly on the enclosed Sewage Sludge Management Report form the quality and quantity of sewage sludge produced. The required report shall be received no later than 20 days following the end of the reporting period and shall be addressed to the following:

   Chief
   Office of Water Resources
   1201 Greenbrier Street
   Charleston, WV 25311-1088
   Attention: Program Management/
   Technical Support

2. The permittee shall provide copies of monthly reports to the county or regional solid waste authority in which the facility or land application site(s) is located.

3. The Sewage Sludge Monitoring Report forms shall be submitted semiannually. The required reports shall be received no later than 20 days following the end of the reporting period and shall be addressed to the following:

   Chief
   Office of Water Resources
   1201 Greenbrier Street
   Charleston, WV 25311-1088
   Attention: Program Management/
   Technical Support

   WV Soil Conservation Agency
   Bio-Solids Program
   1900 Kanawha Blvd., East
   Charleston, WV 25305-0193

4. The following method of sludge disposal shall be used for sewage sludge generated and/or processed at the permitted facility:

   Sewage sludge produced by the City of Benwood treatment plant(s) shall be transported and placed in the treatment plant operated by the City of Moundsville Sanitary Board for the final processing and disposal.

5. Areas used for processing, curing, and/or storage of sewage sludge shall be designed, constructed, and operated to prevent release of contaminants to the groundwater and/or surface water.

6. All analyses performed on soils and sewage sludges shall be analyzed in accordance with analytical methods listed in 40 CFR Part 503.8 except that nutrients may be analyzed in accordance with the most recently approved edition of Standard Methods.

7. The permittee shall maintain all records and reports of all monitoring required by Section H of this permit for five (5) years after the date of monitoring or reporting. Records should include all sample results, copies of all required reports, and records of all data used to complete these reports.

H. SEWAGE SLUDGE MANAGEMENT REQUIREMENTS (Continued)

8. The following limitations and monitoring requirements shall apply to the sewage sludge or sewage sludge products:

Parameter	Maximum Allowable Limitations (mg/kg)	Monitoring Frequency	*Sample Type
Arsenic	Monitor	1/6 Months	One Week Comp.
Cadmium	Monitor	1/6 Months	One Week Comp.
Chromium	Monitor	1/6 Months	One Week Comp.
Copper	Monitor	1/6 Months	One Week Comp.
Lead	Monitor	1/6 Months	One Week Comp.
Mercury	Monitor	1/6 Months	One Week Comp.
Molybdenum	Monitor	1/6 Months	One Week Comp.
Nickel	Monitor	1/6 Months	One Week Comp.
Selenium	Monitor	1/6 Months	One Week Comp.
Zinc	Monitor	1/6 Months	One Week Comp.
pH	Monitor	1/6 Months	Grab
Percent Solids	Monitor	1/6 Months	One Week Comp.
Magnesium	Monitor	1/6 Months	One Week Comp.
Potassium	Monitor	1/6 Months	One Week Comp.
Phosphorus	Monitor	1/6 Months	One Week Comp.
Calcium	Monitor	1/6 Months	One Week Comp.
Organic Nitrogen	Monitor	1/6 Months	One Week Comp.
Ammonia Nitrogen	Monitor	1/6 Months	One Week Comp.
Total Nitrogen	Monitor	1/6 Months	One Week Comp.

* The appropriate composite sampling procedures shall be based upon the particular sludge processing methods used by the permittee. The samples obtained shall be taken as a combination of sludge from all three (3) treatment plants operated by the City of Benwood. The composite sampling procedures for the various methods are described as follows:

Belt Press or Vacuum Filter - During the week that the composite sample is obtained, the permittee shall take a minimum of 3 grab samples during each day of the week that the dewatering system is in operation. These grab samples are to be mixed together and the final sample obtained from the composite. Samples should be collected at a point immediately after the dewatering operation.

Liquid Sludge - During the week that the composite sample is obtained, the permittee shall take a representative grab sample from each truck load of sewage sludge hauled during that week. These grab samples are to be mixed together and the final sample obtained from the composite. Samples should be collected from the sewage sludge being pumped into the truck or as the sewage sludge is being discharged from the truck.

Sewage Sludge Drying Beds - During the week that the composite sample is obtained, the permittee shall take a minimum of 4 grab samples from each bed finished during that week. These grab samples are to be mixed together and the final sample obtained from the composite.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. WV0020648, dated the 4th day of January, 1995; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the Director of the Division of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0020648, dated the 4th day of January, 1995, and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Chapter 22, Article 11 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Chapter 22, Article 11 of the Code of West Virginia and is transferable under the terms of Section 11 of said article.

By: Barbara E. Taylor
Chief

MAS/rb

WRD 2I

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME City of Benwood (Plant A)
LOCATION OF FACILITY Benwood, Marshall County
PERMIT NUMBER WV0020648 OUTLET NO. 001
WASTELOAD FOR MONTH OF 19

COMMERCIAL LABORATORY NAME
COMMERCIAL LABORATORY ADDRESS
INDIVIDUAL PERFORMING ANALYSES

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Flow, in Conduit or thru trmt plant 50050	Reported	*****	*******	*****	***								
	Permit Limitation	*****	*******	*****	***		N/A	0.1	N/A	MGD		Continuous	Measure
BOD, 5-Day (20 Deg. C) 00310	Reported												
	Permit Limitation	N/A	25.0	50.0	lbs/day		N/A	30.0	60.0	mg/l		1/Month	8-Hour Composi
Solids, Total Suspended 00530	Reported												
	Permit Limitation	N/A	25.0	50.0	lbs/day		N/A	30.0	60.0	mg/l		1/Month	8-Hour Composi
Nitrogen, Total Kjeldahl (as N) 00625	Reported												
	Permit Limitation	N/A	15.0	30.0	lbs/day		N/A	18.0	36.0	mg/l		1/Month	8-Hour Composi
pH 00400	Reported	*****	*******	*****	***								
	Permit Limitation	*****	*******	*****	***		6.0	N/A	9.0	Std. Units		1/Month	Grab
Coliform, Fecal General 74055	Reported	MF	--	MPN									
	Permit Limitation	Circle	Method	Used			N/A	200	400	count 100ml		1/Month	Grab
	Reported												
	Permit Limitation												

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

WRD 2A

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME City of Benwood (Plant B)
LOCATION OF FACILITY Benwood, Marshall County
PERMIT NUMBER WV0020648 OUTLET NO. 002
WASTELOAD FOR MONTH OF 19

COMMERCIAL LABORATORY NAME
COMMERCIAL LABORATORY ADDRESS
INDIVIDUAL PERFORMING ANALYSES

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Flow,in Conduit or thru trmt plant 50050	Reported	*****	*******	*****	***								
	Permit Limitation	*****	*******	*****	***		N/A	0.1	N/A	MGD		Continuous	Measure
BOD, 5-Day (20 Deg. C) 00310	Reported												
	Permit Limitation	N/A	25.0	50.0	lbs/ day		N/A	30.0	60.0	mg/l		1/Month	8-Hour Composi
Solids, Total Suspended 00530	Reported												
	Permit Limitation	N/A	25.0	50.0	lbs/ day		N/A	30.0	60.0	mg/l		1/Month	8-Hour Composi
Nitrogen, Total Kjeldahl(as N) 00625	Reported												
	Permit Limitation	N/A	15.0	30.0	lbs/ day		N/A	18.0	36.0	mg/l		1/Month	8-Hour Composi
pH 00400	Reported	*****	*******	*****	***								
	Permit Limitation	*****	*******	*****	***		6.0	N/A	9.0	Std. Units		1/Month	Grab
Coliform, Fecal General 74055	Reported	MF	--	MPN									
	Permit Limitation	Circle	Method	Used			N/A	200	400	count 100ml		1/Month	Grab
	Reported												
	Permit Limitation												

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

WRD 2A

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME City of Benwood (Plant D)
LOCATION OF FACILITY Benwood, Marshall County
PERMIT NUMBER WV0020648 OUTLET NO. 003
WASTELOAD FOR MONTH OF 19

COMMERCIAL LABORATORY NAME
COMMERCIAL LABORATORY ADDRESS
INDIVIDUAL PERFORMING ANALYSES

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg.Monthly	Max.Daily	Units	N.E.	Minimum	Avg.Monthly	Max.Daily	Units	N.E.		
Flow, in Conduit or thru trmt plant 50050	Reported	*****	*******	*****	***								
	Permit Limitation	*****	*******	*****	***		N/A	0.1	N/A	MGD		Continuous	Measured
BOD, 5-Day (20 Deg. C) 00310	Reported												
	Permit Limitation	N/A	25.0	50.0	lbs/day		N/A	30.0	60.0	mg/l		1/Month	8-Hour Composit
Solids, Total Suspended 00530	Reported												
	Permit Limitation	N/A	25.0	50.0	lbs/day		N/A	30.0	60.0	mg/l		1/Month	8-Hour Composit
Nitrogen, Total Kjeldahl(as N) 00625	Reported												
	Permit Limitation	N/A	15.0	30.0	lbs/day		N/A	18.0	36.0	mg/l		1/Month	8-Hour Composit
pH 00400	Reported	*****	*******	*****	***								
	Permit Limitation	*****	*******	*****	***		6.0	N/A	9.0	Std. Units		1/Month	Grab
Coliform, Fecal General 74055	Reported	MF	--	MPN									
	Permit Limitation	Circle	Method	Used			N/A	200	400	count/100ml		1/Month	Grab
	Reported												
	Permit Limitation												

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

SEWAGE SLUDGE MANAGEMENT REPORT

FACILITY NAME Benwood, City of (Plant A) YEAR _____ PERMIT NUMBER WV0020648

ADDRESS 430 Main Street MONTH _____ MONITORING FREQUENCY 1/6 Months

CITY Benwood ZIP 26031 LAST SAMPLE DATE _____ RESULTS ATTACHED YES/NO

Description of Pathogen Reduction Method:

Description of Vector Attraction Reduction Method:

Total sludge generated this report period: (dry tons) _____ Disposal Method _____

Sludge Generated this year to date: (dry tons) _____ Name of Landfill _____

Amount of domestic septage received: (gallons) _____ Percent Solids _____

I certify under penalty of law that the management practices, vector attraction reduction requirements, and the pathogen reduction requirements of Federal regulations 40 CFR Part 503 and state sludge regulations Title 47 Series 38D have been met. This determination has been made under my direction and supervision in accordance with the system designed to ensure that qualified personnel properly gather and evaluate the information used to determine that these requirements have been met.

I also certify that this document and all the attachments were prepared under my direction or supervision, and that this information is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for false certification including the possibility of fine and imprisonment.

OFFICIAL _____ TITLE _____

SIGNATURE _____ DATE _____

SEWAGE SLUDGE MANAGEMENT REPORT

FACILITY NAME Benwood, City of (Plant 8) YEAR _____ PERMIT NUMBER WV0020648

ADDRESS 430 Main Street MONTH _____ MONITORING FREQUENCY 1/6 Months

CITY Benwood ZIP 26031 LAST SAMPLE DATE _____ RESULTS ATTACHED YES/NO

Description of Pathogen Reduction Method:

Description of Vector Attraction Reduction Method:

Total sludge generated this report period: (dry tons) _____ Disposal Method _____

Sludge Generated this year to date: (dry tons) _____ Name of Landfill _____

Amount of domestic septage received: (gallons) _____ Percent Solids _____

I certify under penalty of law that the management practices, vector attraction reduction requirements, and the pathogen reduction requirements of Federal regulations 40 CFR Part 503 and state sludge regulations Title 47 Series 38D have been met. This determination has been made under my direction and supervision in accordance with the system designed to ensure that qualified personnel properly gather and evaluate the information used to determine that these requirements have been met.

I also certify that this document and all the attachments were prepared under my direction or supervision, and that this information is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for false certification including the possibility of fine and imprisonment.

OFFICIAL _____ TITLE _____

SIGNATURE _____ DATE _____

SEWAGE SLUDGE MANAGEMENT REPORT

FACILITY NAME Benwood, City of (Plant D) YEAR _____ PERMIT NUMBER WV0020648

ADDRESS 430 Main Street MONTH _____ MONITORING FREQUENCY 1/6 Months

CITY Benwood ZIP 26031 LAST SAMPLE DATE _____ RESULTS ATTACHED YES/NO

Description of Pathogen Reduction Method:

Description of Vector Attraction Reduction Method:

Total sludge generated this report period: (dry tons) _____ Disposal Method _____

Sludge Generated this year to date: (dry tons) _____ Name of Landfill _____

Amount of domestic septage received: (gallons) _____ Percent Solids _____

I certify under penalty of law that the management practices, vector attraction reduction requirements, and the pathogen reduction requirements of Federal regulations 40 CFR Part 503 and state sludge regulations Title 47 Series 38D have been met. This determination has been made under my direction and supervision in accordance with the system designed to ensure that qualified personnel properly gather and evaluate the information used to determine that these requirements have been met.

I also certify that this document and all the attachments were prepared under my direction or supervision, and that this information is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for false certification including the possibility of fine and imprisonment.

OFFICIAL _____ TITLE _____

SIGNATURE _____ DATE _____

WRD 2A-

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
SEWAGE SLUDGE MONITORING REPORT

FACILITY NAME Benwood, City of (Plants A, B & D)
LOCATION OF FACILITY Benwood, Marshall County
PERMIT NUMBER WV0020648
RESULTS FOR MONTH(S) OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		*******	**********	*********	*****	****	Minimum	Average	Maximum	Units	N.E.		
Arsenic 61521	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Cadmium 78476	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Chromium 78473	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Copper 78475	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Lead 78468	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Mercury 78471	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Molybdenum 78465	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

REPORT RESULTS IN DRY WEIGHT BASIS ONLY

WRD 2A-

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
SEWAGE SLUDGE MONITORING REPORT

FACILITY NAME Benwood, City of (Plants A, B & D)
LOCATION OF FACILITY Benwood, Marshall County
PERMIT NUMBER WV0020648
RESULTS FOR MONTH(S) OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		*******	**********	*********	*****	****	Minimum	Average	Maximum	Units	N.E.		
Nickel 78469	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Selenium 49031	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Zinc 78467	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
pH 00400	Reported	*******	**********	*********	*****	****		**********					
	Permit Limitation	*******	**********	*********	*****	****	Monitor	**********	Monitor	Std. Units		1/6 Months	Grab
Percent Solids 61553	Reported	*******	**********	*********	*****	****							
	Permit Limitation	*******	**********	*********	*****	****	Monitor	Monitor	Monitor	Per-cent		1/6 Months	1 Wk.Com
Magnesium 00924	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com
Potassium 78472	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Com

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

REPORT RESULTS IN DRY WEIGHT BASIS ONLY

WRD 2A

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
SEWAGE SLUDGE MONITORING REPORT

FACILITY NAME Benwood, City of (Plants A, B & D)
LOCATION OF FACILITY Benwood, Marshall County
PERMIT NUMBER WV0020648
RESULTS FOR MONTH(S) OF _____ 19____

COMMERCIAL LABORATORY NAME _____
COMMERCIAL LABORATORY ADDRESS _____
INDIVIDUAL PERFORMING ANALYSES _____

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		*******	**********	*********	*****	****	Minimum	Average	Maximum	Units	N.E.		
Phosphorus 78478	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Co
Calcium 00917	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Co
Organic Nitrogen 00000	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Co
Ammonia Nitrogen 82294	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Co
Total Nitrogen 78470	Reported	*******	**********	*********	*****	****	*******						
	Permit Limitation	*******	**********	*********	*****	****	*******	N/A	Monitor	mg/kg		1/6 Months	1 Wk.Co
	Reported												
	Permit Limitation												
	Reported												
	Permit Limitation												

Name of Principal Executive Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my directions or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

REPORT RESULTS IN DRY WEIGHT BASIS ONLY

DIVISION OF ENVIRONMENTAL PROTECTION
1201 Greenbrier Street
Charleston, WV 25311-1088

GASTON CAPERTON
GOVERNOR

LAIDLEY ELI MCCOY, Ph.D.
DIRECTOR

NOTICE TO PERMITTEES

The 1989 regular session of the West Virginia legislature revised the Water Pollution Control Act, Chapter 20, Article 5A of the West Virginia Code by adding Section 6a (Now, Chapter 22, Article 11, Section 10). This section of the Code requires all holders of a State water pollution control permit or a national pollutant discharge elimination system permit to be assessed an annual permit fee, based upon regulations promulgated by the Director of the Division of Natural Resources. The Director promulgated regulations to this effect and the current regulations have an effective date of July 1, 1993. The regulations establish an annual permit fee based upon the relative potential to degrade the waters of the State which, in most instances, relate to volume of discharge. However, for sewage facilities, the annual permit fee is based upon the number of customers served by the facility. You may contact the Secretary of State's Office, State Capitol Building, Charleston, West Virginia 25305, to obtain a copy of the regulations. The reference is Title 47, Legislative Rules of Department of Natural Resources, Series 26 Water Pollution Control Permit Fee Schedule.

Based upon the volume of discharge for which your facility is currently permitted or operating at, the number of customers served by your facility or for the category you fall within, pursuant to Section 7 of Title 47, Series 26, your annual permit fee is $ 250 . This fee is due no later than the anniversary date of permit issuance in each year of the term of the permit or in the case of coverage under a general permit, the fee is due no later than the anniversary date of your coverage under the general permit. You will be invoiced by this agency at the appropriate time for the fee. Failure to submit the annual fee within one hundred and eighty(180) days of the due date will render your permit void.

AGREEMENT

THIS AGREEMENT, made the 16th day of March, 1998 by and between the CITY OF WHEELING, a municipal corporation, hereinafter designated as WHEELING, and the City of Benwood, hereinafter designated as BENWOOD.

WITNESSETH

INTRODUCTION

WHEREAS, WHEELING constructed facilities with sufficient capacity available for use by BENWOOD; and

WHEREAS, BENWOOD has conducted investigations and evaluations to determine population size to be served, sanitary sewage flows, biochemical oxygen demand (BOD) loadings, and suspended solid loadings to be transported to and treated by WHEELING, and

WHEREAS, it is mutually understood by WHEELING and BENWOOD that the population, sanitary sewage flows and loadings have been submitted to WHEELING for the purpose of determining appropriate capacities to be reserved and charges for transporting sanitary sewage through WHEELING's sewer system and treatment at WHEELING's treatment facilities; and

WHEREAS, it is the intent and purpose of these contracting parties to cooperate with each other, and with the State and Federal Authorities to reduce and prevent pollution of the streams and waterways, thereby protecting the health of the inhabitants and serving the public health and welfare of all; and

WHEREAS, WHEELING, on the 20th day of January, 1998, enacted an ordinance approving the terms and conditions of this Agreement, which terms and conditions were heretofore fixed by the CITY OF WHEELING, and

WHEREAS, BENWOOD, on the 27th day of January, 1998, enacted an ordinance approving the terms and conditions of this Agreement, which terms and conditions were heretofore fixed by the City of Benwood.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties hereto, it is mutually agreed by and between the parties hereto as follows:

1. WHEELING agrees to receive into the intercepting sewers of WHEELING, at 45th Street and Water Street, the sanitary sewage discharged from BENWOOD sewers as requested by BENWOOD in December, 1997 and approved by WHEELING so long as the flows and strengths are equal to or lower than those for which WHEELING reserves for BENWOOD; with a capacity reserved for use by BENWOOD with a population of approximately 1,670 people, a flow of 0.82 mgd, a BOD loading of 820 pounds per day, and a suspended solids loading of 820 pounds per day. Should the above approximations be exceeded as verified by the Water Pollution Control Division, WHEELING reserves the right to increase costs and reserve capacity appropriately according to the formula herein. Additional flows and strengths may be discharged only by a mutual new Agreement. If anticipated additional commercial, industrial or residential development within BENWOOD requires more capacity at WHEELING's treatment facility than the capacity reserved for BENWOOD, WHEELING will negotiate with BENWOOD in good faith and provide BENWOOD additional capacity if it is available and if its use is not being reasonably anticipated by those entities for which it was reserved.

2. BENWOOD agrees to maintain its sewers in good condition, to maintain infiltration and inflow so that the total flow does not exceed the reserve capacity, to adopt a user charge system in accordance with current and future guidelines as promulgated by Federal and State authorities having jurisdiction over such matters, and to cooperate with WHEELING in its efforts to comply with any requirements of a higher authority.

3. BENWOOD will provide a recording meter at a location approved by WHEELING upstream from the point of connection to WHEELING's sewers. WHEELING will maintain this meter in order to establish the flow delivered by BENWOOD to WHEELING. BENWOOD will have the privilege of inspection and calibration check. Such measuring device shall include a controlled section (Parshall flume) for measuring flow, and shall be accessible for observation and maintenance. Samples of the flow shall be taken periodically as deemed necessary to ascertain relative strength of sewage. The flow charges and strength analysis will be kept as permanent records. WHEELING will forward duplicates of these records to BENWOOD in a routine manner. Please see page 6, paragraph number 9 for cross reference regarding responsibility for the section of gravity sewer.

4 BENWOOD will reimburse WHEELING for handling and treating its waste on the basis of proportionate sharing of capital and operation and maintenance costs relating to both the treatment facility and the sewer system. Annual capital costs are defined as the Bond repayment, interest and amortization costs as well as the annual depreciation charge relating to any unbonded capital addition, as listed in the Annual Report submitted to the Public Service Commission of West Virginia for those portions of the system jointly used. Likewise, operation and maintenance are the costs reported annually for jointly used facilities.

5. It is agreed that BENWOOD anticipates connecting to WHEELING's sewer system and that billing will be rendered effective on the date when connection is made and flow discharged into WHEELING's system.

6. Technical aspects for the plans for connection and construction necessary for such connection shall be incorporated, mutually agreed upon and approved by the parties into this Agreement by reference.

The allocation of capital costs will be done in proportion to the relative reserve capacity of the design according to the following formula:

Annual Reserve Capacity charge = .3R Fd/Qd + .3R Sd/SSd + 0.4R Bd/BODd

R = Total annual principal, interest, amortization and other capital depreciation attributable to the treatment facility as defined in this Agreement
Fd = Design flow contribution from a user (mgd)
Qd = Total treatment facility design flow (mgd)
Sd = Design contribution of suspended solids from a user (lb/day)
SSd = Total treatment facility design suspended solids loading (lb/day)
Bd = Design contribution of BOD from a user (lb/day)
BODd = Total treatment facility design BOD loading (lb/day) (subscript "d" refers to design parameters)

City of Wheeling Design Parameters:

Flow = 10 mgd
BOD_5 = 16,000 lbs/day
SS = 18,000 lbs/day

The Fd/Qd factor is the fraction of the design flow from BENWOOD over the total design plant flow. Similarly, the other two factors are the fractional design inputs of suspended solids and BOD

II. SEWER INTERCEPTOR RESERVE CAPACITY (CAPITAL) CHARGE

Each user shall pay its share of the capital cost of the interceptor sewer system based on the amount of the interceptor sewers it uses and the fractional reserved design flow capacity.

BENWOOD shares in the annual cost of the interceptor sewer and easements as follows under the current/existing bond issue:

Area	Total Annual Cost of Interceptor and Plant	Annual Cost of Interceptor Used by the Area	User Percentage of Current Bonds
The City of Benwood	6,852,559	378,931.	5.5

Area	Fd (mgd)	Sd (lb/day)	Bd (lb/day)	Length of Interceptor used by BENWOOD (inch miles) P
The City of Benwood	0.82	820	820	42.24

*Quantities were determined by BENWOOD after completion of investigations and evaluations.

The above percentages (P) multiplied by the principal, interest and amortization costs related to the current bonds and capital improvements relating to the operations and maintenance of the system will be further Multiplied by $\frac{Fd}{Qd}$ for each area to arrive at the annual payment to WHEELING from BENWOOD

Thus, the annual Reserve Capacity Charge = $P \times \frac{Fd}{Qd}$

III. TREATMENT PLANT - OPERATION AND MAINTENANCE CHARGE

The allocation of the treatment plant operation and maintenance costs will be proportioned in accordance with actual relative flows and strengths as determined by the formula defined below:

$$O \& M \text{ Costs} = 0.3A \times \frac{Fa}{Qa} + 0.3A \times \frac{Sa}{S.S.a} + 0.4A \times \frac{Ba}{BODa} \text{ where}$$

A = Total annual operating and maintenance cost as defined in the Agreement
Fa = The average daily flow (mgd) from a user = 0.41*
Qa = Average daily influent flow (mgd) to the treatment facility
Sa = The average daily solids in pounds from a user = 410*
S.S.a. = Average daily solids in pounds in the treatment plant influent
Ba = Average daily BOD in pounds from a user = 410*
BODa = Average daily BOD in pounds in the treatment plant influent

* These are the average daily loads expected during the first year as per the City of Benwood.

The following expense categories as listed in the "Uniform Systems of Accounts for Sewer Utilities" issued by the Public Service Commission of West Virginia in 1958, shall be treated in the above calculation on basis other than "proportionate" as determined by the above formula, to reflect the disproportionate benefit derived by BENWOOD:

- Account 783 – Billing, Collection and Accounting – The calculation will include a flat charge of $300 per year.

- Accounts 721 and 728 – Pumping Expenses – The calculation shall completely exclude the costs associated with any pump stations not servicing BENWOOD.

Any changes to the above, or the treatment of new expense accounts issued by the Public Service Commission of West Virginia, shall be negotiated for applicability to BENWOOD and shall be agreed upon in writing by both parties to the Agreement.

WHEELING will provide to BENWOOD, after completion of each yearly audit, a copy of the Annual Report filed with the Public Service Commission of West Virginia and a report by WHEELING's independent Certified Public Accountants containing the calculation of the annual charge to BENWOOD determined in accordance with the contract above.

Any extraordinary supplies or services furnished to BENWOOD, outside the terms of this Agreement, shall be billed by WHEELING to BENWOOD at WHEELING's cost plus 15 percent. All such items covered by this provision are subject to prior written approval by both parties. This provision should not be construed to create a separate maintenance agreement.

IV. SEWER SYSTEM OPERATION AND MAINTENANCE

Each user shall pay its share of the operation and maintenance (O&M) costs of the sewer system based on the amount of the CITY OF WHEELING's sewers it uses and the fractional flow quantity it discharges, according to the following formula.

$$\text{Annual Sewer System User Charge} = \frac{I}{L} SS \frac{Fa}{Qa}$$

I = Length of sewers used by BENWOOD (inch-miles) = 46
L = Total length of sewers owned and maintained by the CITY OF WHEELING (2,534 inch miles)
SS = The annual sewer system O&M cost less exclusions.

A. Any future maintenance of service connections and traps within the CITY OF WHEELING would not be passed on to outside users. Maintenance of service connections between the City of Benwood would be charged to BENWOOD at 100 percent of the cost.

B Maintenance of the metering station would be charged to the City of Benwood at 100 percent of the cost.

Fa = The average daily flow (mgd) from a user = 0.41**
Qa = Average daily fluent flow (mgd) to the treatment facility

* As per City of Wheeling Supervisor Estimate of A. King Campbell
** As per City of Benwood Engineers

To illustrate methodology described in this Agreement, a blank sample of the formula for calculation is attached.

7. WHEELING will operate the treatment facility and the shared sewers that it owns, but shall make available to BENWOOD detailed operating and cost accounting records related to the shared units.

8. WHEELING reserves the right to regulate an industry within BENWOOD's corporate boundaries to standards and specifications, in accord with all sewer use ordinances of the City of Wheeling and to make tests within BENWOOD's sewer system when unusual flows, strength of wastes or improper substances are suspected to come from the system. Any and all sewer ordinances of the City of Wheeling shall apply to the parties making this Agreement. Current and future ordinances such as Article 921, 923 and 927 are available from the Office of the City Clerk of the City of Wheeling.

9. BENWOOD shall design, construct, install, with the approval of WHEELING, and pay for all structures and appurtenances attaching to and connecting with WHEELING's system. BENWOOD warrants such design, construction and installation from one (1) year from the date of its completion, after which WHEELING will assume responsibility for the section of gravity sewer, and other related sewer facilities as lie within the corporate limits of the City of Wheeling. The City of Benwood is similarly responsible for facilities which lie within their corporate limits.

10. This Agreement shall continue in full force and effect each year hereinafter and shall be binding on the parties hereto and their successors or assigns. This Agreement may not be amended or terminated, unless mutually agreed in writing by the parties, or unless a change of circumstances would affect the benefits and burdens of the parties under this Agreement.

11. In subsequent years, after the previous year's auditing has been completed, the subsequent quarterly billing will be adjusted. All estimated billings will be due within thirty (30) days or the appropriate penalty of 10% of the invoiced amount will be applied in accord with the rate schedule.

12. The parties understand and agree that the costs and charges are subject to annual review and revision in accord with the formulas contained in this Agreement, and that the example calculations are not meant to be used as part of this Agreement to bind the parties to such examples rather than to actual flows, usages, percentages and costs.

Nothing contained in this Agreement shall be construed to alter, change or in any way interfere with the existing sewage revenue bonds now in existence, or hereafter issued by the CITY OF WHEELING, covering the present sewage system of WHEELING.

WHEELING and BENWOOD agree to submit this Agreement to any and all State and Federal agencies which, by law, may have final approval of this Agreement.

IN WITNESS WHEREOF, the CITY OF WHEELING has caused this Agreement to be signed on its behalf by its City Manager, and its corporate seal to be hereunto affixed by its City Clerk, by authority of an Ordinance of the Council of the CITY OF WHEELING, duly adopted on the 20th day of January, 1998, and also IN WITNESS WHEREOF, the City of Benwood has caused this Agreement to be signed by its Mayor and its corporate seal to be affixed by its City Clerk, by authority of Ordinance of the City of Benwood duly enacted upon the 27th day of January, 1998.

THE CITY OF WHEELING
A Municipal Corporation

(CORPORATE SEAL)

By: Willi A. Tsiami
City Manager

The City of Benwood
A Municipal Corporation

(CORPORATE SEAL)

By: Larry Ferrara Jr.
Its: Mayor

ESTIMATED CHARGES TO THE TOWN OF BENWOOD FOR HANDLING AND TREATING WASTE FOR THE PERIOD ENDED JUNE 30, 1997 ARE DERIVED FROM THE FOLLOWING CALCULATIONS: (unaudited)

01/05/98
Example

STEP I. Treatment Plant Reserve Charge:

Principal and Interest Payments of Current Bonds For Original Primary Plant & Interc.		$298,100
Original Primary Plant % of Current Bonds	27 %	80,487
Principal and interest payments of Current Bonds For Upgrading the Plant.		428,972
Sub-total:		509,459
Annual Depreciable Charge Relating To Unbonded Capital Exp.		371,138
Total:		880,597

Using design date:

$$0.30 \times 880{,}597 \times \frac{0.8200}{10} + 0.30 \times 880{,}597$$

$$\frac{820}{18{,}000} + 880{,}597 \times 0.40 \times \frac{820}{16{,}000} = 51{,}779$$

TOTAL STEP I: 51,779

STEP II: Interceptor Sewer Reserve Charge:

Principal and Interest Payments of Current Bonds For Original Primary Plant and Interceptors	$298,100
Percent to be shared by Benwood	5.5
Total	16,396

Using design flows:

$$16{,}396 \times \frac{0.820}{10} = 1{,}344$$

TOTAL STEP II: 1,344

ESTIMATED CHARGES TO THE TOWN OF BENWOOD FOR HANDLING AND TREATING WASTE FOR THE PERIOD ENDED JUNE 30, 1997 ARE DERIVED FROM THE FOLLOWING CALCULATIONS: (unaudited)

STEP III: Treatment plant operation and maintenance expense: 2,084,685
Plus Fixed Billing Fee 300
Total Plant Operation & Maintenance Expense 2,084,985
Plant loadings for 1997

Qa = 7.887 mgd
SSa = 19,075 lb/day
BODa = 11,577 lb/day

Loading at Benwood

Fa = 0.410 mgd
Sa = 410.0 lb/day
Ba = 410.0 lb/day

0.3 x 2,084,985 x 0.0520 + 0.3 x 2,084,985 x

0.0215 + 2,084,985 x 0.0354 x 0.4 = 75,497

TOTAL STEP III: 75,497

STEP IV: Sewer operation and maintenance expense: $446,166

Using Table two (2) and a current flow of 0.410 mgd:

$\frac{42}{2,534}$ x 446,166 x 0.0520 mgd = 387

TOTAL STEP IV: 387

SUMMARY

STEP I	51,779
STEP II	1,344
STEP III	75,497
STEP IV	387
TOTAL:	$ 129,007

IC-2
(7/05/00)

GRANT AGREEMENT

This Grant Agreement entered into as of the 20th day of December, 2000, between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the CITY OF BENWOOD (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 $938,800 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Authority and the Governmental Agency hereby agree as follows:

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Council and the Authority.

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

CITY OF BENWOOD

By: Larry Ferrera Jr
Its: Mayor

(SEAL)

ATTEST

Its: Clerk

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

By:
Its: Director

(SEAL)

ATTEST

Barbara B Meadows
Its: Secretary-Treasurer

Cecil H. Underwood, Governor

WEST VIRGINIA
MOUNTAINS OF OPPORTUNITY

WEST VIRGINIA DEVELOPMENT OFFICE

1900 KANAWHA BOULEVARD, EAST
CHARLESTON, WV 25305-0311

October 22, 1999

The Honorable Larry Ferrera, Jr.
Mayor
City of Benwood
430 Main Street
Benwood, West Virginia 26031-1106

Dear Mayor Ferrera:

Congratulations on Governor Underwood's recent Applachian Regional Commission grant award to the city of Benwood to make sewer improvements. As the community development representative for Region X, I will be your point of contact regarding Appalachian Regional Commission (ARC) program guidelines, rules, and regulations.

Enclosed with this correspondence is a state/local contract between the West Virginia Development Office and the city of Benwood. This contract outlines the conditions under which the city's ARC program must be implemented.

Once the city council and legal counsel have reviewed the contract, the city council must pass a formal resolution accepting the conditions of the contract and authorizing your signature on the last page. We will be unable to process a grant agreement until a signed contract and resolution are returned to us.

Now is the appropriate time to assess your environmental review process. If the proposed activities are located in a floodplain area, have you completed the eight-step, decision making process? This process requires the publication of two notices. Have you received review clearance from the West Virginia Historic Preservation Office? Remember, you may not obligate any ARC dollars for a non-exempt activity prior to receiving environmental clearance from this office.

I would like to meet with you to answer any questions you may have concerning the state/local contract and to provide you with technical assistance and operational guides to assist you in the implementation and administration of your program. I look forward to working with you on this project. Please have your administrator and any other personnel who will participate in the implementation of your ARC program contact me to arrange a mutually convenient meeting place and time to review the federal requirements under which this project is to be administered.

If you need any additional information or clarification of this material, please call me at (304) 558-4010, extension 44.

Sincerely,

Jessie L. Richardson
Community Development Specialist

JLR:ca

Enclosure

APPALACHIAN REGIONAL COMMISSION
CONTRACT BETWEEN
WEST VIRGINIA DEVELOPMENT OFFICE
AND THE
CITY OF BENWOOD

THIS AGREEMENT, entered into this 1st day of April, 1999, by the West Virginia Department of Finance and Administration on behalf of the West Virginia Development Office, hereinafter called the "State," and the city of Benwood and its authorized officers, agents, and representatives, hereinafter called the "Grantee."

WITNESS THAT:

WHEREAS, the State has promised and agreed to assist the Grantee to perform such tasks hereafter described in the Scope of Services, which is to partially financed by funds made available through an Appalachian Regional Commission Grant (WV12228-95-I-214), approved on April 1, 1999 under Section 214 of the Appalachian Regional Commission Act of 1965, as amended.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. **Assistance to Grantee.** The State shall provide the Grantee with technical assistance and services necessary to perform such tasks hereafter described in the Scope of Services.

2. **Scope of Services.** The Grantee, or its designated agent, in accordance with the Program Guidelines to be used in the administration of a previously approved Small Cities Block Grant, and in accordance with the approved application of the Grantee which is attached hereto and made a part hereof as Attachment A, shall do, perform, and carry out, in a satisfactory and proper manner all duties, tasks, and functions necessary to **make sanitary sewer improvements.**

3. **Consideration.** In consideration of the services rendered by the Grantee, the State agrees to pay $750,000 and in no instance shall this amount be exceeded unless by mutual written amendment or modification approved by the Appalachian

Regional Commission and the State. ARC funds are limited to the lesser of (1) the amount specified in ARC's most recent approval or (2) the difference between the actual eligible project cost and the sum of the actual non-ARC basic grants and the non-federal funds specified in ARC's most recent approval, unless otherwise directed by the Commission.

4. Changes. The State and the Grantee, from time to time, may require changes in the Scope of Services of the work to be performed hereunder. Such changes, including any increase or decrease in the amount of the Grantee's compensation and work to be performed, which are mutually agreed upon by and between the Appalachian Regional Commission, the State, and the Grantee, shall be incorporated in written amendments to this Contract.

5. Time of Performance. The Grantee will commence its duties under this Contract on April 1, 1999, and such duties shall be undertaken and completed in such sequences as to assure their expeditious completion in light of the purpose of the Contract but, in any event, all of the services required hereunder shall be completed by April 1, 2002. Completion date of this Contract may only be extended by mutual written agreement of both parties.

6. Performance Measures. Performance measures establish that the Grantee should have all other funding in place and design and engineering completed within twelve months. Furthermore, construction should be started within eighteen months after the execution of this Agreement by both parties. These performance measures establish goals against which performance under this contract can be measured and evaluated during regularly scheduled monitoring visits by the State.

7. Administrative Requirements and Procedures.

(A) Personnel. The Grantee represents that it has or will secure personnel with the necessary qualifications and experience required to perform the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the State, consistent with the procedures identified in the Grants Management Handbook.

(B) Applicable Law. The Grantee shall comply with all the restrictions, conditions, and requirements of the Appalachian Regional Commission Act of 1965, as amended, and with all applicable State and Federal Laws and regulations in administering and distributing funds provided under this Agreement including, but not limited to, the following:

(1) P.L. 88-352: Refers to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et. seq.) which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Implementing regulations are found in 24 CFR Part 1.

(2) P.L. 90-284: Refers to Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et. seq.) popularly known as the Fair Housing Act. In addition, Executive Order 11063, as amended by Executive Order 12259 and as implemented by 24 CFR Part 107, are applicable.

(3) Section 109 of P.L. 93-383 including the Age Discrimination Act of 1976 (U.S.C. 6101 et. seq.) and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) shall apply.

(4) Section 110 of P.L. 93-383 requires compliance with the Davis-Bacon Act, as amended (40 U.S.C. 276a - 276a-5). By reason of the foregoing requirement, the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et. seq.) also applies. In addition, the West Virginia Act on Construction of Public Improvements, Article 5A, Chapter 21 of the West Virginia Code applies.

(5) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701U) requiring that, to the greatest extent feasible, opportunities for employment and training be given to lower-income persons residing within the unit of local government or metropolitan area or nonmetropolitan county in which the project is located, and that contracts for work in connection with the project be awarded to eligible business concerns which are located in or owned in substantial part by, persons residing in the same area.

(6) Section 401(b) of the Lead-Based Paint Poisoning Prevention Act

(42 U.S.C. 4831) prohibits the use of lead-based paints in residential structures.

(7) The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and action as specified and required in regulations issued by the Secretary of Housing and Urban Development pursuant to Section 104(f) of the Act and published in 24 CFR Part 58. In addition to assuming responsibility for National Environmental Policy Act (P.L. 91-190), the Grantee must take into account, where applicable, the criteria, standards, policies, and regulations of the following: (a) Historic Preservation Act of 1966; (b) Executive Order 11593; (c) The Reservoir Salvage Act of 1960; (d) Flood Disaster Protection Act of 1973; (d) Executive Order 11988, Floodplain Management; (f) Executive Order 11990, Protection of Wetlands; (g) Coastal Zone Management Act of 1972; (h) the Safe Drinking Water Act of 1974; (i) the Endangered Species Act of 1973; (j) the Wild and Scenic Rivers Act of 1968; (k) the Clean Air Act; (l) Environmental Criteria and Standards (44 FR 40860-40866, July 12, 1979); (m) 24 CFR Part 51, Subpart B, Noise Abatement and Control; (n) Subpart C - Sitting of HUD Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature; (o) and Subpart D - Sitting of HUD Projects in Runway Clear Zones and Accident Potential Zones at Military Airfields. Before committing any funds (other than for exempt activities), the Grantee must certify to the State that it has complied with all requirements and obligations that are set forth by 24 CFR Part 58.

(8) The State and the Grantee will comply with the provisions of Department of Treasury Circular 1075 and/or the State's Small Cities Grants Management Handbook, as revised, in the process of requesting and administering funds from the State's Letter of Credit.

(C) Accounting. The Grantee will establish a separate account for the proper recording of project costs in accordance with generally accepted cost accounting principles and procedures so as to reflect all receipts and allowable expenditures, including program income in connection with the said project and the purpose thereof. If the Grantee received less than $25,000 per state fiscal year in program income, the dollars received are not subject to provisions of 24 CFR 570 and may be used at the

Grantee's discretion. If program income exceeds $25,000 in any given state fiscal year, all program income earned must be expended in accordance with 24 CFR 570.489.

(D) Audit. Pursuant to provisions of Chapter 6, Article 9, Section 7 of the West Virginia Code, the Community Development Division has adopted the policy of accepting annual financial audits contracted or performed by the State Tax Department. The Grantee will include these funds to be audited with its yearly organization-wide audit. Audits shall be conducted in accordance with the provisions of the Office of Management and Budget (OMB) Circular A-128, and with standards established by the Comptroller General as specified in Standards for Audit of Governmental Organizations, Programs, Activities, and Functions. Units of local government will make audit reports available for public inspection within thirty (30) days after the completion of the audit.

(E) Record Retention. Financial records, supporting documents, statistical records, and all other records pertinent to the grant shall be retained for a period of three years, with the following qualifications:

(1) If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation's, claims, or audit findings involving the records have been resolved.

(2) Records for nonexpendable property acquired with Federal funds shall be retained for three years after its final disposition.

(3) Records for displacement shall be retained in accordance with the Grants Management Handbook.

(4) The retention period starts from the date of the submission of the final expenditure report.

(F) Access to Records. The Grantee shall, at any time during normal business hours and as often as the State or its designated representatives deem necessary, make available for examination all records, books, accounts, reports, files, and other papers, things or property of the Grantee with respect to the matters covered by this Contract. All negotiated contracts awarded by the Grantee shall include a provision that the Comptroller General or any duly authorized representative of the State or HUD/ARC shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to a specific grant program for the purpose of making audit, examination, excerpts, and transcriptions.

(G) Repayment. The Grantee shall refund to the State or Federal government any expenditures determined to be made for an ineligible purpose for which Federal funds were received.

(H) Competitive Bid Procedures. All procurement transactions, including professional services, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition consistent with procedures outlined in the Grants Management Handbook, 24 CFR Part 85, and with applicable local and State law.

The Grantee shall procure architect/engineer services in accordance with Chapter 5G of the West Virginia State Code and be in compliance with 24 CFR Part 85.

The Grantee shall procure construction contracts in accordance with Chapter 5-22-1 of the West Virginia State Code and be in compliance with federal regulations 24 CFR Part 85.

The Grantee shall solicit sealed bids for all construction-related contracts or supplies related to their project which has an estimated value of over $25,000. Any attempts by the Grantee to segregate the project into sections in order to circumvent

competitive procurement may be cause for termination of this Agreement under the provisions of Paragraph 9. These bids shall be obtained by public notice as a Class II legal advertisement in compliance with the provisions of Article Three, Chapter Fifty-nine of the Code of West Virginia. This notice shall be published by the Grantee in the newspaper with the largest circulation serving the general area twice within a period of fourteen consecutive days with at least an interval of six full days within such period between the date of the first publication and the date of the second publication preceding the final date of submitting bids. The Grantee shall also, where feasible, solicit sealed bids by listing the project in the F. W. Dodge Reports, sending requests by mail to prospective suppliers or contractors, sending notification to the State's Small Business Development Center Division, and by posting notice on a bulletin board in a public place. The Grantee shall have available upon request for review by the State or its designated representative, bid documents and other evidence of compliance with these procedures. The resolution of bid and contract disputes is the responsibility of the Grantee.

(l) Bonding and Insurance. As otherwise required by law, a grant that requires the contracting or subcontracting for construction of facility improvements shall provide for the Grantee to follow local or State requirements relating to bid guarantees, performance bonds, and payment bonds unless the Contract or subcontract exceeds $100,000. If the contracts or subcontracts exceed $100,000, the minimum bonding and insurance requirements shall be as follows:

(1) A bid guarantee from each bidder equivalent to five percent of the bid price. This bid guarantee shall consist of a firm commitment such as bid bond, certified check, or other negotiable instrument accompanying a bid that the bidder will, upon acceptance of the bid, execute the contractual documents as may be required within the time specified.

(2) A performance bond on the part of the contractor for 100 percent of the contract price. This performance bond shall be executed by the successful contractor in connection with a contract to secure fulfillment of the contractor's obligations under such contract.

(3) A payment bond on the part of the contractor for 100 percent of the contract price. This payment bond shall be executed in connection with a contract to assure payment as required by law of all persons supplying labor or materials in the execution of the work provided for in the Contract.

(J) Facilities Operation. The Grantee shall operate and maintain all facilities to which the general public has right of access constructed under the auspices of this Contract in accordance with minimum standards as may be required or prescribed by the applicable Federal, State and local statute, law, ordinance, or regulation as to actual construction procedures, as well as maintenance and operation of such facilities upon completion.

(K) Interest of Members of the State and Others. No officer, member or employee of the State, or officer, member or employee of the Grantee who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this project, shall participate in any decision relating to this Contract which, during his tenure or for one year thereafter, affects his personal interest or the interest of any corporation, partnership, or association in which he is directly or indirectly interested or has any personal or pecuniary interest. No officer, member, or employee of the Grantee or any member of its governing body, or officer, member, or employee of the contractor shall have any interest, direct or indirect, in this Contract or the proceeds thereof.

9. **Method of Payment.** In order to receive any and all payments under the terms of this Agreement, the Grantee shall submit the following: (a) a Letter of Transmittal containing a project progress report, and (b) a Request for Payment-Financial Report with support documentation. Upon receipt of said documents, the State shall review the same for reasonableness, appropriateness and eligibility and, if approved, will cause a warrant to be made on that sum to the Grantee for authorized expenditures.

10. **Termination of Contract for Cause.** If, through any cause, the Grantee shall fail to fulfill in a necessary and proper manner its obligations under this Contract or if the Grantee shall violate any of the covenants, agreements, or stipulations of this Contract, the State shall thereupon have the right to terminate this Contract by giving written notice

to the Grantee of such termination and specifying the effective date thereof, at least fifteen days before the effective date of such termination. The Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on the described project.

Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by the State by virtue of any breach of the Contract by the Grantee, and the State may withhold any payments to the Grantee for the purpose of set-off until such time as the exact amount of damages due the State from the Grantee is determined.

11. **Termination for Convenience of the State.** The State may terminate this Contract at any time by giving written notice to the Grantee of such termination and specifying the effective date of termination. If the Contract is terminated by the State as provided herein, the Grantee will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Grantee covered by this Contract, less payments of compensation previously made.

12. **Termination by the Grantee.** The Grantee may unilaterally rescind this Agreement at any time prior to the commencement of the project. After project commencement, this Agreement may be rescinded, modified, or amended only by mutual agreement. A project shall be deemed commenced when the State makes any expenditure or incurs any obligation with respect to the project.

13. **Reporting.** A Final Performance Report shall be submitted to the State with the final request for payment for project costs, excluding audit. Said Performance Report shall be made on the forms provided by the State and meet requirements of said report as set forth in the appropriate Technical Assistance Guides of the State of West Virginia. Other reports may be requested by the State during the grant period as the State deems necessary and directs.

14. **Final Close-out.** Final Close-out shall be completed when the State: a) is in receipt of a Final Performance Report; b) has determined that all monitoring findings have been formally addressed and are resolved; and c) has received a completed, final project

audit and has determined that any findings have been resolved.

15. **Resolution of Disputes.** Resolution of disputes between the State and the Grantee concerning administrative and programmatic matters during the terms of this Agreement shall be initiated through consultation and discussion at the State's Administrative Offices with final decision on questions of policy or fact being determined by the Director of the Community Development Division of the West Virginia Development Office or his/her designated representative. Nothing in this Agreement shall be construed as making the final decision on a question of law, or to limit in any manner any remedies or recourses available under applicable laws. Citizen's complaints or disputes regarding Grantee performance or actions relative to the approved project are the responsibility of the Grantee.

16. **Reservation of Right to Request Refinement.** The State and the Appalachian Regional Commission reserves the right to require Grantee, upon reasonable notice, to submit detailed budgets of work plans for, or to refine application provisions relating to, any activities, work or individual project, to be assisted by funds under this Agreement. Grantee agrees, after receipt of such notice under this article, to provide such budget, work plan and/or refinements within a reasonable time period. Grantee shall cease activities thereon and no costs pertaining to such activities on such projects shall be eligible project costs unless the Appalachian Regional Commission approves such budget, plan, or refinement.

17. **Notice.** The parties hereto agree that notice shall be served when mailed certified U.S. Mail to the following addresses:

West Virginia Development Office
Community Development Division
State Capitol Complex
Building 6, Room 553
Charleston, West Virginia 25305-0311

City of Benwood
430 Main Street
Benwood, West Virginia 26031-1106

[WITNESSETH] that the parties hereto have entered their signatures hereafter with each representing to the other that the execution of this Agreement is done with full authority and that attached hereto and made a part hereof as Attachment B, is a certified copy of the resolution, motion, or similar action of the governing body of the Grantee directing and authorizing its official representative to act in connection with this Agreement.

STATE OF WEST VIRGINIA
WEST VIRGINIA DEVELOPMENT OFFICE

_____
John R. Snider, Executive Director

CITY OF BENWOOD

_____
By: **Larry Ferrera, Jr., Mayor**

_____
Federal Employer Identification Number

Cecil H. Underwood, Governor

WEST VIRGINIA
MOUNTAINS OF OPPORTUNITY

WEST VIRGINIA DEVELOPMENT OFFICE

1900 KANAWHA BOULEVARD, EAST
CHARLESTON, WV 25305-0311

September 28, 1999

The Honorable Lawrence Ferrera, Jr.
Mayor
City of Benwood
430 Main Street
Benwood, West Virginia 26031

Dear Mayor Ferrera:

RE: Small Cities Block Grant
City of Benwood—Wastewater Treatment

Enclosed is your copy of the executed grant award and state/local contract for the above-referenced project. You should retain this contract and grant award with your project files.

Sincerely,

Jessie L. Richardson
Community Development Specialist

JLR:ca

Enclosures

cc: T. White

WEST VIRGINIA DEVELOPMENT OFFICE
GRANT AWARD

	Grant Number: 00-112
CFDA Number: 14.228	**State Acct. No.:** 8746-2000-0307-096-128
Fiscal Year: 2000	**Program Name:** SCBG

Grantee Name & Address:

City of Benwood
430 Main Street
Benwood, WV 26031

F.E.I.N. 556-000-146

Grant Period:
From: December 15, 1998
To: December 15, 2001

Project Name: Wastewater Treatment

Grant ID: B98DC540001

Project Number: 98SCBG0021X

Project Description

Shall do, perform and carry out, in a satisfactory and proper manner all duties, tasks, and functions necessary to enable the abandonment and demolition of existing wastewater treatment plants and to convey wastewater to the city of Wheeling for treatment.

Change Orders

Number:	Date:	Purpose:

TERMS AND CONDITIONS ARE ON FILE IN THE WEST VIRGINIA DEVELOPMENT OFFICE AND AVAILABLE FOR INSPECTION. A COPY OF THE ORIGINAL AGREEMENT IS ATTACHED TO TRANSMITTAL _____, PROCESSED ON OR ABOUT _____.

PAYMENT NUMBER_____.

TOTAL AMOUNT OF THIS GRANT $ 750,000.00

Authorized Signature: John R. Fuda

Title: Executive Director

Date: 9/22/99

plc

STATE OF WEST VIRGINIA
OFFICE OF THE GOVERNOR
CHARLESTON 25305

CECIL H. UNDERWOOD
GOVERNOR

December 15, 1998

The Honorable Lawrence Ferrera, Jr.
Mayor
City of Benwood
430 Main Street
Benwood, West Virginia 26031

Dear Mayor Ferrera:

Thank you for your application to the Small Cities Block Grant Program for fiscal year 1998.

I am pleased to approve your request in the amount of $1,250,000. These funds will enable you to abandon and demolish existing wastewater treatment plants and convey wastewater to the city of Wheeling for treatment.

In order to effectively use the limited dollars available, I hereby commit $750,000 from our fiscal year 1998 allocation that will immediately be available to you. The remaining $500,000 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.

It is with pleasure that I am able to work with you to make this improvement a reality for the citizens of Benwood.

Very sincerely,

Cecil H. Underwood

CHU:lls

cc: Region X

SMALL CITIES BLOCK GRANT CONTRACT
between the
WEST VIRGINIA DEVELOPMENT OFFICE
and the
CITY OF BENWOOD

THIS AGREEMENT, entered into this 15th day of December, 1998, by the West Virginia Department of Finance and Administration on behalf of the West Virginia Development Office, hereinafter called the "State," and the city of Benwood and its authorized officers, agents, and representatives, hereinafter called the "Grantee."

WITNESS THAT:

WHEREAS, the State has elected to administer the nonentitlement portion of the Community Development Block Grant Program as authorized by Title I of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended, subject to the applicable regulations of the Department of Housing and Urban Development, including but not limited to 24 CFR Part 570, Sub-Part I, as amended or revised, and subject to the scope of the State of West Virginia's Grants Management Handbook and other Program Guidelines, receipt of which is hereby acknowledged by the Grantee.

WHEREAS, the Grantee has identified its housing and community development needs, including those of low- and moderate-income persons and the activities to be undertaken to meet such needs.

WHEREAS, the Grantee has prepared a written citizen's participation plan which provides opportunities for citizen participation, hearings, and access to information with respect to the proposed project statement in such a manner as to afford affected citizens an opportunity for examination and comment regarding the proposed project and on the community development performance of the Grantee, a Community Development Plan, and an Anti-displacement and Relocation Assistance Plan.

WHEREAS, the Grantee has requested assistance from the State and has offered assurances that maximum feasible priority has been given to activities which will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight, or to meet other community needs having a particular urgency because an existing condition poses a serious and immediate threat to the health and welfare of the community where other financial resources are not available to meet such needs.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. Assistance to Grantee. The State shall obligate to the Grantee, from funds allocated to the State by Grant Agreement B-98-DC-54-0001, $750,000 to perform such tasks hereafter described in the Scope of Services.

2. Scope of Services. The Grantee, or its designated agent, in accordance with the Grants Management Handbook and other Program Guidelines to be used in administration of the Small Cities Block Grant, and in accordance with the approved application of the Grantee which is attached hereto and made a part hereof as Attachment A, shall do, perform, and carry out, in a satisfactory and proper manner all duties, tasks, and functions necessary to enable the abandonment and demolition of existing wastewater treatment plants and to convey wastewater to the City of Wheeling for treatment.

3. Changes. The State and the Grantee, from time to time, may require changes in the Scope of the Services of the work to be performed hereunder. Such changes, including any increase or decrease in the amount of the Grantee's compensation and work to be performed which are mutually agreed upon by and between the State and the Grantee, shall be incorporated in written amendments to this Contract. Major changes in the Scope of Services which substantially deviate from that originally approved shall require the same citizen participation process as performed for the initial submission of the grant proposal. The State reserves the right to make final determination on questions regarding changes in the Scope of Services.

4. Time of Performance. The Grantee will commence its duties under this Contract on December 15, 1998, and such duties shall be undertaken and completed in such sequences as to assure their expeditious completion in light of the purpose of the Contract; but, in any event, all of the services required hereunder shall be completed by December 15, 2001. Completion date of this Contract may only be extended by mutual written agreement of both parties.

5. Performance Measures. Performance measures establish that the Grantee should have all other funding in place and design and engineering completed within twelve months. Furthermore, construction should be started within eighteen months after the execution of this Agreement by both parties. These performance measures establish goals against which performance under this contract can be measured and evaluated during regular scheduled monitoring visits by the State.

6. Administrative Requirements and Procedures.

(A) *Personnel.* The Grantee represents that it has or will secure personnel with the necessary qualifications and experience required to perform the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the State, consistent with the procedures identified in the Grants Management Handbook.

(B) *Applicable Law.* The Grantee, its agents, and subrecipients shall comply with all the restrictions, conditions, policies, guidelines, and requirements of Title I of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended; with all applicable State and Federal Laws and regulations including 24 CFR Part 570; 24 CFR Part 85; OMB Circulars A-87, A-110, A-122, and A-133, as applicable, in administering and distributing funds provided under this Agreement including, but not limited to, the following:

(1) P.L. 88-352: Refers to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et. seq.) which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the

benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Implementing regulations are found in 24 CFR Part I.

(2) P.L. 90-284: Refers to Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-20 et. seq.) popularly known as the Fair Housing Act which provides for fair housing throughout the United States and prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including otherwise making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap, or familial status. The Grantee further certifies that it will take actions necessary to affirmatively further fair housing.

(3) Executive Order 11063, as amended by Executive Order 12259, requires that taking of all actions necessary and appropriate to prevent discrimination because of race, color, religion (creed), sex, or national origin, in the sale, leasing, rental, or other disposition of residential property and related facilities (including land to be developed for residential use), or in the use of occupancy thereof. Implementing regulations are contained in 24 CFR 107.

(4) Section 109 of P.L. 93-383 requires that no person in the United States shall, on the grounds of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with community development funds.

Section 109 of the Act further provides any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.) or with respect to an otherwise qualified handicapped person as provided in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) shall also apply.

(5) Section 110 of P.L. 93-383 requires compliance with the Davis-Bacon Act, as amended (40 U.S.C. 276a - 276a-5). By reason of the foregoing requirement, the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et. seq.) also applies. In

addition , the West Virginia Act on Construction of Public Improvements, Article 5A, Chapter 21 of the West Virginia Code applies.

(6) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701U) requiring that to the greatest extent feasible opportunities for employment and training be given to lower income persons residing within the unit of local government or metropolitan area or nonmetropolitan county in which the project is located, and that Contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the same area.

(7) Executive Order 11246, as amended by Executive Order 12086 shall apply and provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or Federally assisted construction contracts.

(8) Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831b) prohibits the use, and requires the elimination and/or abatement as far as practical, the hazards of lead-based paints in residential structures constructed or rehabilitated with Federal assistance to include notification of the hazards of lead-based paint. Grantees may use HUD's guidance on lead-based paint elimination that is contained at 24 CFR Part 35.

(9) The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and action as specified and required in regulations issued by the Secretary of Housing and Urban Development pursuant to Section 104(g) of the Act and published in 24 CFR Part 58. In addition to assuming responsibility for National Environmental Policy Act (P.L. 91-190), the Grantee must take into account, where applicable, the criteria, standards, policies, and regulations of the following: (a) Historic Preservation Act of 1966; (b) Executive Order 11593; (c) The Reservoir Salvage Act of 1960; (d) Flood Disaster Protection Act of 1973; (e) Executive Order 11988, Floodplain Management; (f) Executive Order 11990, Protection of Wetlands, (g) Coastal Zone Management Act of 1972; (h) the Safe Drinking Water Act of 1974; (i) the Endangered

Species Act of 1973; (j) the Wild and Scenic Rivers Act of 1968; (k) the Clean Air Act ; (l) Environmental Criteria and Standards (44 FR 40860-40866, July 12, 1979); (m) 24 CFR Part 51, Subpart B, Noise Abatement and Control; (n) Subpart C - Siting of HUD Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature; (o) and Subpart D - Siting of HUD Projects in Runway Clear Zones and Accident Potential Zones at Military Airfields. Before committing any funds (other than for exempt activities), the Grantee must certify to the State that it has complied with all requirements and obligations that are set forth by 24 CFR Part 58.

(10) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601) and HUD implementing regulations at 24 CFR Part 42 apply to the acquisition of real property for an activity assisted under this part and to the displacement of any family, individual, business, nonprofit organization or farm that results from such acquisition. The West Virginia Code, Chapter 54-3 also applies.

The Grantee must certify compliance with URA. Under Section 104(d) of the Act, each Grantee must adopt, make public and certify that it is following a residential anti-displacement and relocation assistance plan providing one-for-one replacement units and relocation assistance. The plan must also indicate the steps that will be taken to minimize the displacement of persons from their homes as a result of any activities assisted under this part all in accordance with 24 CFR Part 570.488(b).

(11) The State and the Grantee will comply with the provisions of the Department of Treasury Circular 1075 and/or the State's Small Cities Grants Management Handbook, as revised, in the process of requesting and administering funds from the State's Letter of Credit.

(12) Funds provided under this agreement shall not be expended for acquisition or construction purposes in an area that has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards unless the community in which the area is situated is participating in the National Flood Insurance

Program; and flood insurance is obtained in accordance with Section 102(a) of the Flood Disaster Protection Act of 1973.

(C) *Accounting.* The Grantee will establish a separate account for the proper recording of project costs in accordance with generally accepted accounting principles and procedures so as to reflect all receipts and allowable expenditures, including program income in connection with the said project and the purpose thereof. If the Grantee received less that $25,000 per state fiscal year in program income, the dollars received are not subject to provision of 24 CFR 570 and may be used at the Grantees discretion. If program income exceeds $25,000 in any given state fiscal year, all program income earned must be expended in accordance with 24 CFR 570.489.

(D) *Audit.* Pursuant to provisions of Chapter 6, Article 9, Section 7 of the West Virginia Code, the Community Development Division has adopted the policy of accepting annual financial audits contracted or performed by the State Tax Department. The Grantee will include these funds to be audited with its yearly organization-wide audit. Audits shall be conducted in accordance with the provisions of the Office of Management and Budget (OMB) Circular A-133, and with standards established by the Comptroller General as specified in Standards for Audit of Governmental Organizations, Programs, Activities, and Functions. Units of local government will make audit reports available for public inspection within thirty (30) days after the completion of the audit.

(E) *Record Retention.* Financial records, supporting documents, statistical records, and all other records pertinent to the grant shall be retained for a period of three years, with the following qualifications:

(1) If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.

(2) Records for nonexpendable property acquired with Federal funds shall be retained for three years after its final disposition.

(3) Records for displacement shall be retained in accordance with the Grants Management Handbook.

(4) The retention period starts from the date of the submission of the final performance report.

(F) *Access to Records.* The Grantee shall, at any time during normal business hours and as often as the State or its designated representatives deem necessary, make available for examination all records, books, accounts, reports, files, and other papers, things or property of the Grantee with respect to the matters covered by this Contract. All negotiated contracts awarded by the Grantee shall include a provision that the Comptroller General or any duly authorized representative of the State or HUD shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to a specific grant program for the purpose of making audit, examination, excerpts, and transcriptions.

(G) *Repayment.* The Grantee shall refund to the State or Federal government any expenditures determined to be made for an ineligible purpose for which Federal funds were received.

(H) *Competitive Procurement Procedures.* All procurement transactions, including professional services, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition consistent with procedures identified in the Grants Management Handbook, 24 CFR Part 85, and with applicable local or State law.

The Grantee shall procure architect/engineer services in accordance with Chapter 5G of the West Virginia State Code and be in compliance with 24 CFR Part 85.

The Grantee shall procure construction contracts in accordance with Chapter 5-22-1 of the West Virginia State Code and be in compliance with federal regulations 24 CFR Part 85.

The Grantee shall solicit sealed bids for all construction-related contracts or supplies related to their project which has an estimated value of over $25,000. Any attempts by the Grantee to segregate the project into sections in order to circumvent competitive procurement may be cause for termination of this Agreement under the provisions of Paragraph 9. These bids shall be obtained by public notice as a Class II legal advertisement in compliance with the provisions of Article Three, Chapter Fifty-Nine of the Code of West Virginia. This notice shall be published by the Grantee in the newspaper with the largest circulation serving the general area within a period of fourteen consecutive days with at least an interval of six full days within such period between the date of the first publication and the date of the second publication preceding the final date of submitting bids. The Grantee shall also, where feasible, solicit sealed bids by listing the project in the F. W. Dodge Reports, sending requests by mail to prospective suppliers or contractors, sending notification to the State's Small Business Development Center Division, and by posting notice on a bulletin board in a public place. The Grantee shall have available upon request for review by the State or its designated representative, bid documents and other evidence of compliance with these procedures. The resolution of bid and contract disputes is the responsibility of the Grantee.

(l) *Bonding and Insurance.* As otherwise required by law, a grant that requires the contracting or subcontracting for construction or facility improvements under $100,000 shall provide for the Grantee to follow local or State requirements relating to bid guarantees, performance bonds, and payment bonds provided that the Grantee's and State's interest is adequately protected and that such contracts can be executed in a timely manner; otherwise, bonding requirements shall be the same as for contracts exceeding $100,000. If the contracts or subcontracts exceeds $100,000, the minimum bonding and insurance requirements shall be as follows:

(1) A bid guarantee from each bidder equivalent to five percent of the bid price. This bid guarantee shall consist of a firm commitment such as bid bond, certified

check, or other negotiable instrument accompanying a bid that the bidder will, upon acceptance of the bid, execute the contractual documents as may be required within the time specified.

(2) A performance bond on the part of the contractor for 100 percent of the contract price. This performance bond shall be executed by the successful contractor in connection with a contract to secure fulfillment of the contractor's obligations under such contract.

(3) A payment bond on the part of the contractor for 100 percent of the contract price. This payment bond shall be executed in connection with a contract to assure payment is required by law of all persons supplying labor or materials in the execution of the work provided for in the Contract.

(J) *Facilities Operation*. The Grantee shall operate and maintain all facilities to which the general public has right of access constructed under the auspices of this Contract in accordance with minimum standards as may be required or prescribed by the applicable Federal, State and local statute, law, ordinance, or regulation as to actual construction procedures. The Grantee shall be responsible for maintenance and operation of such facilities upon completion. The Grantee may not change the use or planned use of any such facility (including the beneficiaries of such use) from that purpose initially approved unless the Grantee provides affected citizens with reasonable notice thereof and opportunity to comment on any proposed change all in accordance with 24 CFR Part 570.489(j).

(K) *Conflict of Interest*. No officer, agent, consultant, employee, elected or appointed official of the State, the Grantee, or any public agency or subrecipient receiving Community Development Block Grant funds who exercises or has exercised any function or responsibilities with respect to activities assisted with Community Development Block Grant funds or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from such activity or have an interest in any contract, subcontract, or agreement with

respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter. The conflict of interest provision of 24 CFR 85.36; 24 CFR 570.489 (g) and (h); and OMB Circular A-110 also apply as appropriate.

7. Recovery of Capital Costs. The Grantee will not attempt to recover any capital costs of public improvements assisted in whole or in part with funds from this program by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless: (a) funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from other revenue sources; or (b) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the Grantee certifies to the State of West Virginia that it lacks sufficient funds received under the program to comply with the requirements of clause (a).

8. Method of Payment. In order to receive any and all payments under the terms of this Agreement, the Grantee shall submit the following: (a) a Letter of Transmittal containing a progress report, and (b) a Request for Payment Financial Report. Upon receipt of said documents, the State shall review the same for reasonableness, appropriateness and eligibility and, if approved, will cause a warrant to be made on that sum to the Grantee for authorized expenditures from the State's Letter of Credit with the Department of Housing and Urban Development.

9. Termination of Contract for Cause. If, through any cause, the Grantee shall fail to fulfill in a necessary and proper manner its obligations under this Contract or if the Grantee shall violate any of the covenants, agreements, or stipulations of this Contract, the State shall thereupon have the right to terminate this Contract by giving written notice to the Grantee to such termination and specifying the effective date thereof, at least fifteen days

before the effective date of such termination. The Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed on the described project.

Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by the State by virtue of any breach of the Contract by the Grantee, and the State may withhold any payments to the Grantee for the purpose of off-setting those damages until such time as the exact amount of damages due the State from the Grantee is determined.

10. Termination for Convenience of the State. The State may terminate this Contract at any time by giving written notice to the Grantee of such termination and specifying the effective date of termination. If the Contract is terminated by the State as provided herein, the Grantee will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Grantee covered by this Contract, less payments of compensation previously made.

11. Termination by the Grantee. The Grantee may unilaterally rescind this Agreement at any time prior to the commencement of the project. After project commencement, this Agreement may be rescinded, modified, or amended only by mutual agreement. A project shall be deemed commenced when the State makes any expenditure or incurs any obligation with respect to the project.

12. Reporting. A Final Performance Report shall be submitted to the State with the final request for payment for project costs, excluding audit. Said Performance Report shall be made on the forms provided by the State and meet the requirements of said report as set forth in the appropriate Technical Assistance Guides of the State of West Virginia. Other reports may be requested by the State during the grant period as the State deems necessary and directs.

13. Final Closeout. Final Closeout shall be completed when the State: (a) is in receipt of a Final Performance Report; (b) has determined that all monitoring findings have

been formally addressed and are resolved; and (c) has received a completed, final project audit and has determined that any findings have been resolved.

14. Resolution of Disputes. Resolution of disputes between the State and the Grantee concerning administrative and programmatic matters during the terms of this Agreement shall be initiated through consultation and discussion at the State's Administrative Offices with final decision on questions of policy or fact being determined by the Director of the Community Development Division of the West Virginia Development Office or his/her designated representative. Nothing in this Agreement shall be construed as making the final decision on a question of law, or to limit in any manner any remedies or recourses available under applicable laws. Citizen's complaints or disputes regarding Grantee performance or actions relative to the approved project are the responsibility of the Grantee.

15. Notice. The parties hereto agree that notice shall be served when mailed certified U.S. Mail to the following addresses:

West Virginia Development Office
Community Development Division
Capitol Complex
Building 6, Room 553
Charleston, West Virginia 25305-0311

GRANTEE City of Benwood
430 Main Street
Benwood, West Virginia 26031

SECTION 4

Assurances

Community Development Block Grant
Small Cities Program

The applicant hereby assures and certifies that:

A. It possesses legal authority to apply for the grant and to execute the propose program.

B. Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

C. Prior to submission of its application to the state, the applicant has met the citizen participation requirements of the Act.

D. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with the Title I funds by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (a) Title I funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than Title I funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of low- and moderate-income who are not persons of very low income, it certifies to the state that it lacks sufficient Title I funds to comply with the requirements of clause (a).

E. It is following a written and detailed citizen plan which :

1. provides for and encourages citizen participation, with particular emphasis on participation by persons of low- and moderate-income who are residents of slum and blight areas and of areas in which funds are proposed to be used and provides for participation of residents in low- and moderate-income neighborhoods as defined by the local jurisdiction;

2. provides citizens with reasonable and timely access to local meeting, information, and records relating to the grantee's proposed use of funds, as required by regulations of the Secretary of the U.S. Department of Housing and Urban Development and relating to the actual use of funds under this title;

3. provides for technical assistance to groups representative of persons of low- and moderate-income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

2. Authorizes and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the federal courts for the purpose of enforcement of his responsibilities as such an official.

H. The Community Development Program has been developed so as to give maximum feasible priority to activities which will benefit low- and moderate-income families; meet other community development needs having particular urgency because an existing condition poses a serious and immediate threat to the health and welfare of the community, and other financial resources are not available to meet such needs; or aid in the prevention or elimination of blighted or deteriorated areas.

I. It will comply with the regulations, policies, guidelines, and requirements of the state as they relate to the application, and acceptance and use of funds to include Subpart I of 24 CFR 570 and supplemental parts of 24 CFR Part 570 as specifically made applicable by the state to the extent expressly referred to.

J. It will administer and enforce the labor standards requirement set forth in 24 CFR 570.603 and HUD regulations issued to implement such requirements.

K. It will comply with all requirements by the state and/or federal government concerning special requirements of law, program requirements, and other administrative requirements.

L. It will comply with the provisions of Executive Order 11988 relating to evaluation of flood hazard and Executive Order 11990 relating to the prevention, control, and abatement of water pollution.

M. Its notification, inspection, testing, and abatement procedures concerning lead-based paint will comply with 24 CFR 570.487 and procedures adopted by the state.

N. It will require every building or facility (other than a privately owned residential structure) designed, constructed, or altered with funds provided under this part, to comply with the :American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A-117.1-R 1971, subject to the exceptions contained in 41 CFR 101-19.604. The applicant will be responsible for conducting inspections to ensure compliance with these specifications by the contractor.

O. It will comply with:

1. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and the regulations issued pursuant thereto (24 CFR Part 601) which provides that no persons in the United States shall, on the grounds of race, color, or national origin, be excluded from participation I, be denied the benefit of, or be otherwise subjected to discrimination under any program or activity for which the applicant received federal financial assistance, and will immediately take any measures necessary to effectuate this assistance. If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the applicant, this assurance shall obligate the applicant or, in the case of any transfer of such property, any transfer, for the period during which the real property or structure is used for a purpose for

S. It will comply with the provisions of the Hatch Act which limits the political activity of employees.

T. It will give the State of West Virginia, HUD, and the General Accounting Office, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.

U. It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) List of Violating Facilities, and it will notify the state of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project under consideration for listing y the EPA.

V. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, P. L. 93-234, 87 Stat. 875, approved December 31, 1973. Section 103(a) required on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any form of direct or indirect federal assistance.

W. It will, in connection with its performance of environmental assessments underthe National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1968 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archaeological and Historical Data Act of 1966 (16 U.S.C. 468a-11 et. seq.) by:

1. Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 26 CFR Part 800.8) by the proposed activity, and

2. Complying with all requirements established by HUD to avoid or mitigate adverse effects upon such properties.

X. It will provide and maintain competent and adequate architectural engineering supervision and inspection at all construction sites to ensure that the complete work conforms with the approved plans and specifications and that all contract provisions have been compied with.

Y. It will not use funds directly or indirectly to employ, award contracts to, or otherwise engage the services of a debarred, suspended, or ineligible contractor or subrecipient.

Z. It will assume responsibility to ensure that all program funds are accounted for consistent with program objectives and all federal, state, and local laws and regulations.

AA. It will cause the project to be audited in accordance with OMB Circular A-128, and will promptly refund to the state any funds received that are not supported by audit.

City of Benwood
Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

RECEIPT OF PAYMENT

The undersigned duly authorized representative of the United National Bank, the registered owner of the Sewer Refunding Revenue Bonds, Series 1997 A (the "Series 1997 A Bonds"), of the City of Benwood (the "Issuer"), dated March 27, 1997, issued in the original aggregate principal amount of $93,000 and bearing interest at the rate of 5.4% per annum, hereby certifies that it has received the sum of $27,740.51 from the Issuer and that such sum is sufficient to pay in full the entire outstanding principal amount of and interest on the Series 1997 A Bonds to the date hereof and discharge the liens, pledges and encumbrances securing the Series 1997 A Bonds.

Dated this 20th day of December, 2000.

UNITED NATIONAL BANK

Authorized Representative

11/17/00
066650/98001

City of Benwood
Sewer Revenue Bonds,
Series 2000 A (West Virginia SRF Program) and
Series 2000 B (West Virginia Infrastructure Fund)

RECEIPT OF PAYMENT

The undersigned duly authorized representative of the West Virginia Water Development Authority, the registered owner of the Sewerage System Design Revenue Bonds, Series 1997 B (West Virginia SRF Program) (the "Series 1997 B Bonds"), of the City of Benwood (the "Issuer"), dated December 16, 1997, issued in the original aggregate principal amount of $484,000, bearing interest at the rate of 2% per annum and an administrative fee of 1%, hereby certifies that it has received the sum of $430,078.57 from the Issuer and that such sum is sufficient to pay in full the entire outstanding principal amount of, all accrued interest on and the administrative fee of the Series 1997 B Bonds to the date hereof and discharge the liens, pledges and encumbrances securing the Series 1997 B Bonds.

Dated this 20th day of December, 2000.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Authorized Representative

12/8/00
066650/98001