

COLFAX PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WASTEWATER FACILITIES OF THE COLFAX PUBLIC SERVICE DISTRICT, AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ACCEPTANCE BY THE DISTRICT OF FUNDING ASSISTANCE IN THE AGGREGATE PRINCIPAL AMOUNT OF \$738,929 THROUGH THE WEST VIRGINIA SRF PROGRAM; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO ACCEPTANCE OF SUCH FUNDING; APPROVING, RATIFYING AND CONFIRMING THE FUNDING ASSISTANCE AGREEMENT RELATING TO SUCH FUNDING ASSISTANCE.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF THE COLFAX PUBLIC SERVICE DISTRICT:

WHEREAS, this Resolution (together with any resolution supplemental hereto or amendatory hereof, or both, the "Resolution") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law;

WHEREAS, the Colfax Public Service District (the "Local Government") is authorized and empowered by the Act to acquire, construct, improve, operate and maintain wastewater project consisting of upgrades to collection system, connection to City of Fairmont treatment and decommissioning of the existing treatment plant, together with all necessary appurtenances (the "Project") and to finance the costs of the Project from grants or other funding assistance provided for the Project;

WHEREAS, the Local Government has submitted an application for the Project to the West Virginia Department of Environmental Protection (the "DEP"), and the West Virginia Infrastructure and Jobs Development Council (the "Council");

WHEREAS, in reviewing the application for the Project, the DEP and the West Virginia Water Development Authority (the "Authority") have determined to offer funding assistance to the Local Government for the Project through a principal forgiveness loan (the "Funding Assistance") as provided in the Funding Assistance Agreement a copy of which is attached hereto and incorporated herein by reference (the "Funding Assistance Agreement");

WHEREAS, the Funding Assistance Agreement has been presented to the Local Government;

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

WHEREAS, the Local Government has complied with all terms and requirements set forth in the Funding Assistance Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this Resolution be adopted, that the Funding Assistance Agreement be approved and ratified, that the exact principal amount, date, and other terms of the Funding Assistance be fixed hereby in the manner stated herein, and that other matters relating to the Funding Assistance be herein provided for.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE COLFAX PUBLIC SERVICE DISTRICT, AS FOLLOWS:

Section 1. A. There is hereby authorized and ordered the implementation of the Project at an estimated cost not to exceed \$738,929 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 Funding Assistance hereby authorized shall be applied to the costs of the Project.

The cost of the Project is estimated not to exceed \$2,043,806 of which \$738,929 will be obtained from the proceeds of the Funding Assistance and \$1,304,877 will be obtained from a Small Cities Block Grant.

B. The Local Government will enter into contracts for the acquisition and installation of the Project, in amounts compatible with the financing plan submitted to the Authority and the DEP.

Section 2. The Local Government hereby ratifies, approves and accepts the Funding Assistance Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Funding Assistance Agreement by the Chairman of the Governing Body and the performance of the obligations contained therein, on behalf of the Local Government, are hereby authorized, approved and directed.

Section 3. The Local Government hereby affirms all covenants and representations made in the Funding Assistance Agreement and in the application to the DEP. The Local Government hereby agrees to comply with all covenants, conditions and requirements set forth in the Funding Assistance Agreement as set forth in Section 4.1 thereof and this Section 3 herein. The Local Government covenants as follows:

(a) The Local Government shall complete the Project, to the extent applicable, and operate and maintain the System in good condition;

(b) The Local Government shall provide written notice and request approval of the disposition of the assets to the Authority and the DEP of any sale or other disposal of the System as a whole or substantially as a whole; provided that if said sale or other disposition is to a non-governmental entity the Local Government shall obtain an appraisal of the assets purchased with the Funding Assistance and remit to the Authority for deposit into the Clean Water State Revolving Loan Fund an amount equal to the then depreciated value of the assets purchased;

(c) The Local Government will carry such insurance as is customarily carried with respect to works and properties similar to the System;

(d) The Local Government will not render any free services of the System;

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

(f) The Local Government shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and DEP, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(g) 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;

(h) 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;

(i) 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

(j) The Local Government shall submit all proposed change orders to the DEP for approval. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Funding Assistance 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 Funding Assistance available due to project underruns.

Section 4. The DEP shall advance the proceeds of the Funding Assistance from time to time upon receipt of a requisition evidencing the costs incurred. Such amounts advanced under the Funding Assistance Agreement shall be deemed forgiven on the 30th day of June in the fiscal year in which they were advanced.

Section 5. The Local Government hereby appoints and designates WesBanco, Wheeling, West Virginia, to serve as Depository Bank for the Funding Assistance.

Section 6. The Chairman and Secretary of the Governing Body are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Funding Assistance hereby and by the Funding Assistance Agreement approved and provided for, to the end that the Funding Assistance may be delivered to the Local Government pursuant to the Funding Assistance Agreement on or about October 3, 2019.

Section 7. The acquisition and construction of the Project, and the financing thereof with proceeds of the Funding Assistance from the DEP and the Small Cities Block Grant are in the public interest, serve a public purpose of the Local Government and will promote the health, welfare and safety of the residents of the Local Government.

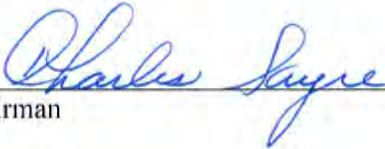
Section 8. The Local Government hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project and the Chairman of the Governing Body is hereby authorized and directed to execute and deliver all such contracts.

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same. Section 9. This Resolution shall be effective immediately following adoption of the

Adopted this 16th day of September, 2019.

COLFAX PUBLIC SERVICE DISTRICT


Chairman

CERTIFICATION

Certified as a true copy of a Resolution duly adopted by the Board of Colfax Public Service District on the 16th day of September, 2019.

Dated: October 3, 2019.

[SEAL]

Hester Moon
Secretary

SRF-PF-1*
(07/13)

FUNDING ASSISTANCE AGREEMENT

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

COLFAX PUBLIC SERVICE DISTRICT
(2014S-1520 / C-544333)
(Local Government)

W I T N E S S E T H:

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

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to 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 provide funding assistance to local governments to provide the financing for the acquisition or construction of wastewater treatment projects by such local governments, all

* 100% Principal Forgiveness Projects only.

subject to such provisions and limitations as are contained in the Clean Water Act and the Act (hereinafter “Funding Assistance”);

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 from grants or other funding assistance;

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 filed with DEP, as hereinafter defined (the “Project”); and

WHEREAS, the Local Government is either a “disadvantaged community” as defined in the applicable Intended Use Plan, and/or meets the definition of decentralized treatment system as defined herein.

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 “Decentralized System” means wastewater treatment systems that treat wastewater, then reusing and/or dispersing the reclaimed water, as close to where it is generated as practical in each circumstance. A Decentralized System may include: on-site systems contained entirely within the simple boundaries of the lot it serves; small-scale collective systems, with their reuse/dispersal sites on easements on the lots served, on vacant lots purchased for this purpose, on off-site properties, or a combination of these; larger scale collective systems utilizing dispersed or aggregated reuse/dispersal sites or discharging to surface water.

1.4 “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.

1.5 “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.

1.6 “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 Funding Assistance 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 Funding Assistance.

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

1.8 “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.

1.9 Additional terms and phrases are defined in this Funding Assistance 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 filed with the DEP, 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 Funding Assistance Agreement and the Local Act, the Local Government has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Local Government by the Consulting Engineers.

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

2.4 The Local Government agrees that the Authority and DEP and their respective duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Local Government further agrees that the

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

2.5 The Local Government shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project, in accordance with generally accepted governmental accounting standards. 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 Funding Assistance 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.

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 Record Drawings, 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 or updated Operation and Maintenance Manual, if necessary 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 a state certified plant operator prior to the Project being 50% complete and notify the DEP of such employment. The Local Government shall retain the operator(s) to operate the System as required by State law.

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

2.12 The Local Government, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit B and incorporated herein by reference, and forward a copy by the 20th of each month to the DEP and the Authority.

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

2.14 The Local Government, prior to the closing of the Funding Assistance, shall provide the DEP and the Authority with the opinion of local counsel, the form of which is attached hereto as Exhibit F and incorporated herein by reference.

ARTICLE III

Conditions to Advance of Funding Assistance

3.1 The agreement of the Authority and DEP to advance Funding Assistance hereunder:

(a) 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 filed with DEP; provided that, if the proceeds of the Funding Assistance 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 filed with DEP; 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;

(b) 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;

(c) 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;

(d) 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 local counsel to the Local Government, to such effect;

(e) Such rates and charges for the System shall be sufficient to comply with the provisions 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

(f) The Funding Assistance, 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 filed with DEP, 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 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
Other Agreements of the Local Government

4.1 Covenants substantially as follows:

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

(b) That the Local Government shall provide written notice and request approval of the disposition of the assets to the Authority and the DEP of any sale or other disposal of the System as a whole or substantially as a whole; provided that if said sale or other disposition is to a non-governmental entity the Local Government shall obtain an appraisal of the assets purchased with the Funding Assistance and remit to the Authority for deposit into the Clean Water Revolving Loan Fund an amount equal to the then depreciated value of the assets purchased;

(c) That the Local Government will carry such insurance as is customarily carried with respect to works and properties similar to the System;

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

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

(f) That the Local Government shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and DEP, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(g) 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;

(h) 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;

(i) 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

(j) That the Local Government shall submit all proposed change orders to the DEP for approval. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Funding Assistance 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 Funding Assistance available due to bid/construction/project underruns.

4.2 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 Funding Assistance 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 Funding Assistance Agreement.

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

4.4 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 filed with DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE V
Miscellaneous

5.1 Schedule X shall be attached to this Funding Assistance 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.

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

5.3 This Funding Assistance 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 Funding Assistance Agreement.

5.4 No waiver by any party of any term or condition of this Funding Assistance 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 Funding Assistance Agreement.

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

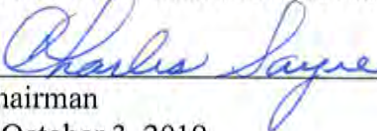
5.6 This Funding Assistance Agreement shall terminate upon written notice of termination to the Local Government and the Authority by the DEP.

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

COLFAX PUBIC SERVICE DISTRICT

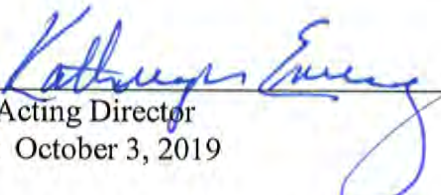
(SEAL)

By: 
Its: Chairman
Date: October 3, 2019

Attest:


Its: Secretary

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

By: 
Its: Acting Director
Date: October 3, 2019

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

By: 
Its: Executive Director
Date: October 3, 2019

Attest:


Its: Authorized Officer

EXHIBIT A
FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B
MONTHLY FINANCIAL REPORT

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

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

Name of Person Completing Form

Address

Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

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

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

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

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

The Local Government must complete the Monthly Financial Report and forward it to the Water Development Authority by the 20th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT C
PAYMENT REQUISITION FORM

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

EXHIBIT D
FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

(Name of Bonds)

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

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

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the schematic design for the Project began [before/after July 1, 2012], (iii) 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; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule attached hereto as Exhibit A, and my firm¹ 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; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the bid

¹If 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".

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; (vii) the successful bids include prices for every item on such bid forms; (viii) the uniform bid procedures were followed; (ix) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (x) as of the effective date thereof², the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Funding Assistance Agreement; (xi) 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; (xii) the Project was designed and will be constructed in compliance with the provisions of West Virginia Code Chapter 22, Article 29; and (xiii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

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

By _____
West Virginia License No. _____

[SEAL]

²If 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. ASSET MANAGEMENT – The Local Government shall submit an acceptable asset management plan or where applicable, updated plans, to DEP no later than six months following substantial completion of the Project. This requirement shall be included in the bond closing documents.

C. WAGE RATES – The Local Government shall require that all laborers and mechanics employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 32 of title 40, United States Code. The Local Government must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

D. CLOSING REQUIREMENTS – [Reserved].

EXHIBIT F
OPINION OF LOCAL COUNSEL FOR LOCAL GOVERNMENT

[To Be Dated as of Date of Closing]

[Name of Local Government]
_____, West Virginia

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

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

Re: \$ _____ Funding Assistance (West Virginia Clean Water
 SRF Program)

Ladies and Gentlemen:

[I am/We are] counsel to _____ (the "Local Government"), a
_____.

[I/We] have examined a certified copy of proceedings and other papers relating to the authorization of a Funding Assistance Agreement dated _____, 20__, including all schedules and exhibits attached thereto (the "Funding Assistance Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"). All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Funding Assistance Agreement and the Local Act.

The Funding Assistance is being provided for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

[I/We] have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the ordinance/resolution duly adopted or enacted by the Local Government on _____, 20__ (the "Local Act"), pursuant to and under which Local Statute and Local Act, the Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Funding Assistance is forgivable at the end of each fiscal year in which funds are advanced for the Project.

Based upon the foregoing and upon [my/our] examination of such other documents as [I/we] have deemed necessary, [I am/we are] of the opinion as follows:

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

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

4. The members and officers of the governing body of the Local Government have been duly and properly authorized and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Local Government in their respective capacities.

5. 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 Funding Assistance Agreement.

6. The execution and delivery of the Funding Assistance Agreement and the consummation of the transactions contemplated by the Funding Assistance Agreement and the Local Act, 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 Local Government, a breach of or default under any resolution, agreement or other instrument to which the Local Government is a party or any existing law, regulation, court order or consent decree to which the Local Government is subject.

7. The Local Government has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Local Government, the acceptance of the Funding Assistance, the acquisition and construction of the Project, and the operation of the System, including, without limitation, all requisite permits, approvals, orders and certificates from _____, the DEP and the West Virginia Infrastructure and Jobs Development Council.

8. To the best of [my/our] knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Funding Assistance Agreement or the Local Act, the acquisition and construction of the Project, or the operation of the System.

9. All successful bidders have made the required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon our review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, [I am/we are] of the opinion that such surety bonds or policies: (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Local Government; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Local Act and the Funding Assistance 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.

10. The contracts contain language requiring the contractors to provide affidavits from all contractors and subcontractors indicating that each contractor and subcontractor have a drug-free workplace policy pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended. The contractor has submitted a plan to implement the drug-free workplace policy prior to the awarding of the contract pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended.

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF FUNDING ASSISTANCE

Principal Amount of Funding Assistance	\$738,929
--	-----------

The Authority at the direction of the DEP shall forgive the principal amount of the Funding Assistance. The principal amounts advanced under the Funding Assistance Agreement will be deemed forgiven on the 30th day of June in the fiscal year in which advanced.

Number of New Customers: -0-

Location: Colfax area of Marion County

COLFAX PUBLIC SERVICE DISTRICT
FUNDING ASSISTANCE, SERIES 2019
(WEST VIRGINIA SRF PROGRAM/FORGIVABLE)

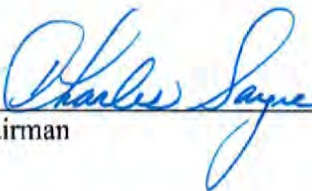
RECEIPT FOR FUNDING ASSISTANCE PROCEEDS

The undersigned Chairman of the Colfax Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certifies as follows:

On the 3rd day of October, 2019, the Issuer received and hereby acknowledges receipt from the West Virginia Water Development Authority (the "Authority"), on behalf of the Clean Water State Revolving Fund, pursuant to a Funding Assistance Agreement between the Authority, the Issuer and the West Virginia Department of Environmental Protection dated October 3, 2019 (the "Funding Assistance"), of the \$54,000, being a portion of the \$738,929 principal amount of the Funding Assistance. The Issuer understands that the remaining proceeds of the Funding Assistance will be advanced to the Issuer from time to time as design proceeds to completion.

WITNESS my signature on this 3rd day of October, 2019.

COLFAX PUBLIC SERVICE DISTRICT


Chairman



Chase Tower, 17th Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.stepToe-johnson.com

Writer's Contact Information

October 3, 2019

Colfax Public Service District
Colfax, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Re: \$738,929 Funding Assistance
(West Virginia SRF Program/Forgivable)

Ladies and Gentlemen:

We are counsel to Colfax Public Service District (the "Local Government"), a public service district and as a public corporation and political subdivision organized and existing under the laws of the State of West Virginia.

We have examined a certified copy of proceedings and other papers relating to the authorization of a Funding Assistance Agreement dated October 3, 2019, including all schedules and exhibits attached thereto (the "Funding Assistance Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP").

The Funding Assistance is being provided for the purposes of (i) paying a portion of the costs of acquisition and construction of certain improvements and extensions to the public sewerage system of the Issuer (the "Project"); and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13A and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the Funding Assistance Resolution duly adopted by the Local Government on September 16, 2019 (the "Local Act"), pursuant to and under which Local Statute and Local Act, the Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Funding Assistance is forgivable at the end of each fiscal year in which funds are advanced for the Project.

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

3. The Local Government is a duly organized and validly existing public service district and as a public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to enter into the Funding Assistance Agreement, all under the Local Statute and other applicable provisions of law.

4. The members and officers of the governing body of the Local Government have been duly and properly authorized and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Local Government in their respective capacities.

5. 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 Funding Assistance Agreement.

6. The execution and delivery of the Funding Assistance Agreement and the consummation of the transactions contemplated by the Funding Assistance Agreement and the Local Act, 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 Local Government, a breach of or default under any resolution, agreement or other instrument to which the Local Government is a party or any existing law, regulation, court order or consent decree to which the Local Government is subject.

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

Very truly yours,



STEPH & JOHNSON PLLC



David C. Glover

214 Saint James Drive

Clarksburg, WV 26301

Phone: (304) 969-9192

Facsimile: (304) 566-7237

October 3, 2019

Colfax Public Service District
\$738,929 Funding Assistance
(West Virginia SRF Program/Forgivable)

Colfax Public Service District
Colfax, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to Colfax Public Service District, a public service district in Marion County, West Virginia (the "Local Government"). As such counsel, we have examined a certified copy of proceedings and other papers relating to the authorization of a Funding Assistance Agreement dated October 3, 2019, including all schedules and exhibits attached thereto (the "Funding Assistance Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"). All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Funding Assistance Agreement and the Local Act.

The Funding Assistance is being provided for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

We have also examined the applicable provisions of Chapter 16, Article 13A and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the Funding Assistance Resolution duly adopted by the Local Government on September 16, 2019 (the "Local Act"), pursuant to and under which Local Statute and Local Act, the Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Funding Assistance is forgivable at the end of each fiscal year in which funds are advanced for the Project.

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

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

3. The Local Government is a duly organized and validly existing public service district, 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 enter into the Funding Assistance Agreement, all under the Local Statute and other applicable provisions of law.

4. The members and officers of the governing body of the Local Government have been duly and properly authorized and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Local Government in their respective capacities.

5. 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 Funding Assistance Agreement.

6. The execution and delivery of the Funding Assistance Agreement and the consummation of the transactions contemplated by the Funding Assistance Agreement and the Local Act, 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 Local Government, a breach of or default under any resolution, agreement or other instrument to which the Local Government is a party or any existing law, regulation, court order or consent decree to which the Local Government is subject.

7. The Local Government has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Local Government, the acceptance of the Funding Assistance, the construction of the Project, and the operation of the System, including, without limitation, all requisite permits, approvals, orders and certificates from the DEP and the West Virginia Infrastructure and Jobs Development Council.

8. We are of the opinion that the Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Recommended Decision dated May 28, 2019 which became a Final Order on June 17, 2019 in Case No. 18-1593-PSD-CN granting a certificate of convenience and necessity for the Project, approving the financing for the Project and approving rates and charges for the System. The Order is in full force and effect.

9. To the best of our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Funding Assistance Agreement or the Local Act, the construction of the Project, or the operation of the System.

10. We have ascertained that all successful bidders have provided the drug-free workplace affidavit, submitted their drug free workplace plan, and the contracts contain language that complies with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. We have also ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon our review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, we are of the opinion that such surety bonds and policies (i) are in compliance with the contracts; (ii) are adequate in form, substance and amount to protect the various interests of the Local Government; (iii) have been executed by duly authorized representatives of the proper parties; (iv) meet the requirements of the Local Act and the Funding Assistance Agreement; and (vi) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,

A handwritten signature in blue ink, appearing to read "David C. Glover". The signature is fluid and cursive, with the first name "David" being more prominent.

Glover Legal, PLLC



David C. Glover
214 Saint James Drive
Clarksburg, WV 26301
Phone: (304) 969-9192
Facsimile: (304) 566-7237

October 3, 2019

Katheryn D. Emery, P.E., Assistant Director
Clean Water SRF Program
Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304

Wayne Morgan, P.E., Executive Director
West Virginia Infrastructure & Jobs Development Council
1009 Bullitt Street
Charleston, West Virginia 25301

RE: Colfax Public Service District
IJDC #2014S-1520
SCBG #15SCBG0004
Sanitary Sewer Improvements and Upgrades Project

Dear Ms. Emery and Mr. Morgan:

This firm represents Colfax Public Service District (hereinafter "District") with regard to the above-referenced Project, and provides this final title opinion on behalf of the District to satisfy the requirements of the funding agencies for the Project. As such, please be advised of the following:

1. That we are of the opinion that the District is a duly created and existing public service district possessed with all powers and authority granted to public service districts under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the Project as set forth in the Final Recommended Decision (Case No. 18-1593-PSD-CN) dated June 17, 2019, of the Public Service Commission of West Virginia granting a Certificate of Convenience and Necessity to the District for the Project.

2. That the District has obtained all necessary permits and approvals for the construction of the Project.

3. That we have investigated and ascertained the location of and am familiar with the legal description of the necessary sites, including easements and/or rights-of-way, required for the Project as set forth in the plans for the Project prepared by The Thrasher Group, Inc., the consulting engineers for the Project. Specifically, a total of seven (7) easements and/or rights-of-way are necessary for the Project.

4. That we have examined the records on file in the Office of the Clerk of the County Commission of Marion County, West Virginia, the County in which the Project is to be located and, in our opinion, the District has acquired legal title to all seven (7) of the necessary easements and/or rights-of-way for the Project sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facility to be constructed. That all seven (7) easements and/or rights-of-way which have been acquired to date by the District have been duly recorded in the aforesaid Clerk's Office in order to protect the legal title to and the interests of the District. Said easements and the recording status are referenced on the attached list.

5. That no fee takes/property purchases are necessary for the Project.

6. That there are no outstanding judgments against the District.

7. That there is no pending litigation against the District. Further, the District is unaware of any threatened litigation.

8. That all requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and West Virginia State Code Chapter 54 have been met in the acquisition of real property.

If you should have any questions regarding this matter or any of the information contained in this letter, please do not hesitate to contact me.

Very truly yours,



David C. Glover

cc: Charles Sayre, Chairman
David Gibson, Project Manager
Rodney Kidd, Project Engineer

COLFAX PUBLIC SERVICE DISTRICT

\$738,929 Funding Assistance
(West Virginia SRF Program/Forgivable)

CERTIFICATE OF ENGINEER

I, Steven V. Buchanan, P.E., Registered Professional Engineer, West Virginia License No. 11060 of The Thrasher Group, Inc., Bridgeport, West Virginia, hereby certify this 3rd day of October, 2019 as follows:

1. My company is engineer for the acquisition and construction of certain additions, betterments, improvements and extensions (the "Project") to the existing public wastewater system (the "System") of Colfax Public Service District (the "Local Government") to be constructed primarily in Marion County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned funding assistance (the "Funding Assistance") of the Local Government. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Funding Assistance Resolution adopted by the Local Government on September 16, 2019 and the Funding Assistance Agreement by and among the Local Government, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), dated October 3, 2019 (collectively, the "Funding Assistance Agreement").

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Local Government, the DEP and all necessary governmental bodies; (ii) the Project does not include any buildings to be designed and constructed in compliance with the ICC International Energy Conservation Code, adopted by the State Fire Commission, and the ANSI/ASHRAE/IESNA Standard 90.1-2007; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 10 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Local Government received responsive bids for the construction of the Project compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and the Local Government's counsel, Glover Legal, PLLC, has ascertained that all successful contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (v) the successful contractor received provided acknowledge receipt of any and all addenda to the original bid documents; (vi) the successful contractors have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vii) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the contractors contain the critical operational components of the Project; (viii) the successful bids include prices for every item on such bid forms; (ix)

on such bid forms; (ix) the uniform bid procedures were followed; (x) the Local Government has obtained the necessary permits required for the construction of the Project and the operation of the System; (xi) the Funding Assistance, 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 (xii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve no new customers.

[Remainder of Page Intentionally Blank]

WITNESS my signature and seal on the day and year first written above.



THE THRASHER GROUP, INC.

 10/3/19

Steven V. Buchanan, P.E.
West Virginia License No. 11060

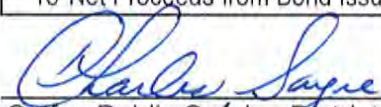
COLFAX PUBLIC SERVICE DISTRICT SANITARY SEWER IMPROVEMENTS & UPGRADES PROJECT

IJDC #2014S-1520

SCBG #15SCBG0004

08/14/2019

	TOTAL	SCBG	WVDEP
PROJECT COSTS			
1 Total Construction			
a Construction Contract (Glenn Johnston)	1,255,378.00	934,292.00	321,086.00
b Construction Contingency 5%	62,800.00	0.00	62,800.00
2 Mon Power	163,543.00	0.00	163,543.00
3 Technical Services (Thrasher)			
a Study / Report	50,000.00	25,000.00	25,000.00
b Design - Preliminary	85,000.00	85,000.00	0.00
c Design - Final	47,000.00	30,000.00	17,000.00
d Bidding & Negotiation	10,000.00	10,000.00	0.00
e Construction Mg't/Post Construction	20,000.00	20,000.00	0.00
f RPR/Inspection	60,000.00	0.00	60,000.00
g Special Services			
i Inflow and Infiltration Study	16,000.00	9,000.00	7,000.00
ii Funding Applications and Meetings	2,000.00	2,000.00	0.00
iii Engineering and Topographic Surveys	10,000.00	10,000.00	0.00
iv Survey Lands and Rights-of-Ways	10,000.00	10,000.00	0.00
v Construction Stakeout	1,500.00	1,500.00	0.00
vi PSC Submission	3,000.00	3,000.00	0.00
vii Videotaping of Project Area	10,000.00	10,000.00	0.00
viii Asset Management Plan (Amendment #3)	30,000.00	0.00	30,000.00
4 Lands & ROWS			
a Acquisition/ROW services	8,500.00	8,500.00	0.00
b Acquisition Costs	16,500.00	16,500.00	0.00
5 Legal			
a Legal Fees (Project & PSC Attorney) Glover	25,000.00	25,000.00	0.00
b Legal Ads & Notices	1,900.00	1,900.00	0.00
c Funding Assistance Counsel (S&J)	5,000.00	0.00	5,000.00
6 Accounting (Bennett & Dobbins)	27,500.00	27,500.00	0.00
7 Administration (Region VI)	75,000.00	50,000.00	25,000.00
8 Permits / Miscellaneous	48,185.00	25,685.00	22,500.00
9 Total of Lines 1 through 8	2,043,806.00	1,304,877.00	738,929.00
COST OF FINANCING			
10 Registrar	0.00	0.00	0.00
11 Bond Counsel	0.00	0.00	0.00
12 Total Cost of Financing (line 10 through 11)	0.00	0.00	0.00
13 Total Cost of Project (line 8 plus line 12)	2,043,806.00	1,304,877.00	738,929.00
SOURCE OF FUNDS			
14 Federal Grants (SCBG)	1,304,877.00	1,304,877.00	0.00
15 Debt Forgiveness (SRF)	738,929.00	0.00	738,929.00
16 Other Sources	0.00	0.00	0.00
17 Total Grants	2,043,806.00	1,304,877.00	738,929.00
18 Net Proceeds from Bond Issuance (line 13 minus line 17)	0.00	0.00	0.00


 Colfax Public Service District

 08/19/19
 Date


 The Thrasher Group

 08/20/19
 Date