

MOUNT ZION PUBLIC SERVICE DISTRICT
DESIGN FUNDING ASSISTANCE, SERIES 2022
(WEST VIRGINIA CWSRF PROGRAM/PRINCIPAL FORGIVENESS)

Closing Date: March 24, 2022



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304
Phone: 304-926-0495 / Fax: 304-926-0463

Harold D. Ward, Cabinet Secretary
dep.wv.gov

February 10, 2022

Ms. Sheila Burch, Chair
Mount Zion Public Service District
4418 South Calhoun Highway
Grantsville, WV 26147

RE: Mount Zion Public Service District
Binding Commitment
SRF Number C-544521

Dear Chairwoman Burch:

This letter is to confirm our intention of providing the long-term financing through the Clean Water State Revolving Fund (Fund) program for the Mount Zion Public Service District Design Loan for their wastewater improvement project.

We are hereby committing a loan in the amount of \$223,000 for non-construction (design loan) financing. This amount qualifies for Principal Forgiveness Loan funding.

If the District's loan has not been issued to the Fund prior to August 10, 2022, it is understood that the Fund reserves the right to discontinue processing the PSD's application and, on that day, will have no further responsibilities or obligations hereunder.

Should you have any questions, please do not hesitate to contact me at (304) 926-0499 extension 43830, or Katheryn.D.Emery@wv.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathryn D. Emery", is written over a printed name and title. The signature is fluid and cursive.

Katheryn D. Emery, P.E.
Director

KE/jg

cc: Tim Meeks, Mid-Ohio Valley Regional Council (via email)
Frederick L. Hypes, P.E., P.S., Dunn Engineers, Inc. (via email)

SRF – PF DESIGN*
(12/20)

DESIGN FUNDING ASSISTANCE AGREEMENT

THIS WATER POLLUTION CONTROL REVOLVING FUND DESIGN FUNDING ASSISTANCE AGREEMENT (the “Agreement”), is 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 or other eligible recipient designated below (the “Local Government”).

MOUNT ZION PUBLIC SERVICE DISTRICT
(2017S-1702/ C-544521)
(Local Government)

W I T N E S S E T H:

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

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the “Act”), the State of West Virginia (the “State”) has established a state water pollution control revolving fund program (the “Program”) to direct the distribution of loans to particular Local Governments pursuant to the Clean Water Act;

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

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

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

* 100% Principal Forgiveness Only

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 authorized and empowered by the statutes of the State to acquire, construct, improve, operate or facilitate a wastewater treatment project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by bonds or notes 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 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

1.1 The Local Government has submitted an application to DEP for the Project more specifically described in Exhibit A hereto.

1.2 The Local Government shall covenant and agree to the terms and conditions with respect to the Project as set forth on Exhibit B hereto.

1.3 DEP has instructed the Authority to make a forgivable loan to the Local Government with the financial terms and conditions set forth in Exhibit C hereto.

1.4 DEP shall advance the proceeds of the loan for costs incurred with respect to the Project only upon receipt of invoices approved by DEP.

1.5 The Local Government shall cause to be delivered to DEP a certificate of the Consulting Engineer substantially in the form of Exhibit D and an Opinion of its counsel substantially in the form of Exhibit E.

ARTICLE II

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

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

2.3 This 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 Agreement.

2.4 No waiver by any party of any term or condition of this 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 Agreement.

2.5 This 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.

2.6 This Agreement shall terminate upon the earlier of: (i) written notice of termination to the Local Government from either the Authority or DEP; or (ii) May 31, 2023, if the design of the Project is not completed.

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.

MOUNT ZION PUBLIC SERVICE DISTRICT

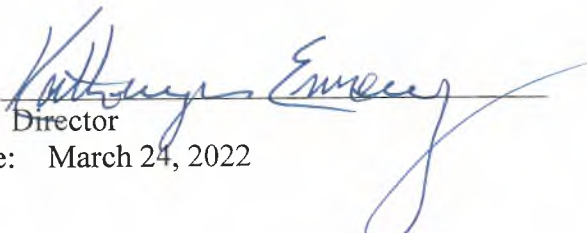
(SEAL)

By: 
Its: Chairman
Date: March 24, 2022

Attest:


Its: Secretary

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

By: 
Its: Director
Date: March 24, 2022

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

By: 
Its: Executive Director
Date: March 24, 2022

Attest:


Its: Authorized Officer

EXHIBIT A

PROJECT DESCRIPTION

The Project consists of the design of wastewater collection system upgrades and replacements to the existing sewerage system, and the replacement of a package wastewater treatment plant.

EXHIBIT B

TERMS AND CONDITIONS

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

B. [RESERVED]

C. [RESERVED]

D. [RESERVED]

E. [RESERVED]

F. LOBBYING - The Local Government shall comply with Title 40 CFR Part 34, New Restrictions on Lobbying and shall submit certification and disclosure forms as required by DEP.

G. PURCHASING REQUIREMENTS – The Local Government shall comply with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

H. SUSPENSION AND DEBARMENT – The Local Government shall comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled “Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons). To the extent required by DEP, the Local Government shall provide certifications as to compliance.

I. REPORTING – The Local Government shall comply with all requests for data related to the use of the funds provided under this agreement when requested by DEP.

J. INSPECTOR GENERAL REVIEWS – The Local Government shall allow any appropriate representative of the Office of US Inspector General to (1) examine its records relating to the Project and this Agreement and (2) interview any officer or employee of the Local Government.

K. FALSE CLAIMS – The Local Government must promptly refer to EPA’s Inspector General any credible evidence that a principal, employee, agent, sub-grantee

contractor, subcontractor, loan recipient, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this Agreement.

L. LIMIT ON FUNDS – The Local Government shall not use funds for particular activities for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

M. 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.

N. [RESERVED]

O. [RESERVED]

P. CIVIL RIGHTS – The Local Government shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. The Local Government shall also comply with Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the Americans with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and local governments, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.

EXHIBIT C

DESCRIPTION OF DESIGN FUNDING ASSISTANCE

Principal Amount of Design Funding Assistance \$223,000

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

Number of New Customers to Be Served: N/A

Location: Arnoldsburg and Millstone areas of Calhoun County

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

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

1. My firm is engineer for the design (the "Project") of a decentralized system (the "System") to be constructed primarily in the _____, _____ County, West Virginia (the "Issuer"), which design is being permanently financed by the Design Funding Assistance. Capitalized words not defined herein shall have the same meaning set forth in the Design Funding Assistance Ordinance adopted or enacted by the Issuer on _____, and the Design 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. 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 design will be completed by _____, Consulting Engineer, as described in the application submitted to the DEP; (ii) the schematic design for the Project began [before/after July 1, 2012], (iii) the Project will be designed to be adequate for its intended purpose and will have a useful life of at least [20] years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) prior to construction, my firm will assist the Issuer in obtaining all applicable 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; (v) the Project design will be performed in compliance with the provisions of West Virginia Code Chapter 22, Article 29; and (vi) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; and Sources of Funds and Costs of Financing" for the Project.

[Remainder of page intentionally left blank]

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

By _____
West Virginia License No. _____

[SEAL]

EXHIBIT E

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: \$_____ Design Funding Assistance, Series 20__ (West Virginia
CWSRF Program/Principal Forgiveness)

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 Design 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 Design Funding Assistance is being provided for the purposes of (i) designing _____, 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 Design Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Design 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 undertake the Project, 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 Design Funding Assistance, and the undertaking of the Project 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 undertaking of the Project, or the operation of the System.

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

Very truly yours,

MOUNT ZION PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE DESIGN OF CERTAIN IMPROVEMENTS, ADDITIONS, BETTERMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWER FACILITIES OF THE MOUNT ZION PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ACCEPTANCE BY THE DISTRICT OF DESIGN FUNDING ASSISTANCE IN THE AGGREGATE PRINCIPAL AMOUNT OF \$223,000 THROUGH THE WEST VIRGINIA CLEAN WATER SRF PROGRAM; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO ACCEPTANCE OF SUCH FUNDING; APPROVING, RATIFYING AND CONFIRMING THE DESIGN FUNDING ASSISTANCE AGREEMENT RELATING TO SUCH FUNDING ASSISTANCE.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF THE MOUNT ZION PUBLIC SERVICE DISTRICT:

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

WHEREAS, the Mount Zion Public Service District (the "Local Government") is authorized and empowered by the Act to design, acquire, construct, improve, operate and maintain a wastewater treatment project (the "Project") and to finance the cost of design of the same ("Design Costs") from grants or other funding assistance;

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 Water Development Authority (the "Authority");

WHEREAS, in reviewing the application for the Project, the DEP and the Authority have determined to offer funding assistance to the Local Government for the design of the Project through a principal forgiveness loan (the "Funding Assistance") as provided in the Design Funding Assistance Agreement a copy of which is attached hereto 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 Public Service Board of the Local Government (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 MOUNT ZION PUBLIC SERVICE DISTRICT, AS FOLLOWS:

Section 1. A. There is hereby authorized and ordered the implementation of the design at an estimated cost not to exceed \$223,000, which includes the design of the of the Project (“Design”) in accordance with the preliminary engineer report which has 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 Design. The Local Government and will enter into contracts for the Design, in an amount otherwise compatible with the financing plan submitted to the Authority and the DEP.

B. The cost of the Design is estimated not to exceed \$223,000, of which \$223,000 will be obtained from the proceeds of the Funding Assistance.

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.

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, in the form provided on Exhibit C to the Funding Assistance Agreement. 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 Calhoun Banks, Arnoldsburg, West Virginia, to serve as Depository Bank for the Funding Assistance.

Section 6. The proceeds of the Funding Assistance, as advanced from time to time, shall be deposited in or credited to the Mount Zion Public Service District Construction Fund, as received by the Local Government for payment of Design costs, including costs of issuance of the Funding Assistance.

Section 7. 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 March 24, 2022.

Section 8. The design of the Project and the financing thereof with proceeds of the Funding Assistance are in the public interest, serve a public purpose of the Local Government and will promote the health, welfare and safety of the residents of the Local Government.

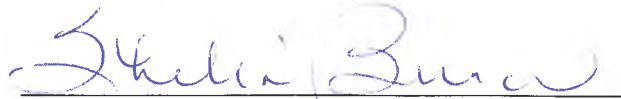
Section 9. The Local Government hereby approves and accepts all contracts relating to the financing and design of the Project and the Chairman of the Governing Body is hereby authorized and directed to execute and deliver all such contracts.

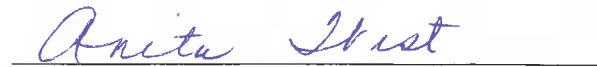
Section 10. The Local Government hereby approves the costs of issuance and authorizes the payment of the same.

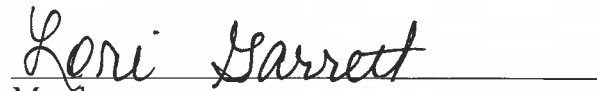
Section 11. This Resolution shall be effective immediately following adoption of the same.

[Remainder of page intentionally left blank]

Adopted this 24th day of March, 2022.


Chairman and Member


Member


Member

CERTIFICATION

Certified as a true copy of a Resolution duly adopted by the Public Service Board of Mount Zion Public Service District on the 7th day of March, 2022.

Dated this 24th day of March, 2022.

[SEAL]



Secretary

EXHIBIT A

DESIGN DESCRIPTION

The Design consists of the design of the wastewater system improvement project to the existing sewerage system and will serve no new customers.

EXHIBIT B

Funding Assistance Agreement included in transcript as Document 2.2.

EXHIBIT C
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: \$_____ Design Funding Assistance, Series 20__ (West Virginia
CWSRF Program/Principal Forgiveness)

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 Design 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 Design Funding Assistance is being provided for the purposes of (i) designing a wastewater system improvement project, and (ii) paying certain issuance and other costs in connection therewith.

[I/We] have also examined the applicable provisions _____ 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 Design Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Design Funding Assistance is forgivable at the end of each fiscal year in which funds are advanced for the Design.

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 public service district, with full power and authority to undertake the Design, 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 Design Funding Assistance, and the undertaking of the Design 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 undertaking of the Design, or the operation of the System.

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

Very truly yours,

MOUNT ZION PUBLIC SERVICE DISTRICT
DESIGN FUNDING ASSISTANCE, SERIES 2022
(WEST VIRGINIA CWSRF PROGRAM/PRINCIPAL FORGIVENESS)

RECEIPT FOR FUNDING ASSISTANCE PROCEEDS

The undersigned Chairman of the Mount Zion Public Service District (the “Issuer”), for and on behalf of the Issuer, hereby certifies as follows:

On the 24th day of March, 2022, 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 Design Funding Assistance Agreement between the Authority, the Issuer and the West Virginia Department of Environmental Protection dated March 24, 2022 (the “Funding Assistance”), of \$20,925.71, being a portion of the \$223,000 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.

[The remainder of this page intentionally left blank; signature page follows.]

WITNESS my signature on this ^{March 30} 24th day of May, 2022.

MOUNT ZION PUBLIC SERVICE DISTRICT

Shelia Luma
Chairman

WEST VIRGINIA MUNICIPAL BOND COMMISSION

900 Pennsylvania Avenue, Suite 1117, Charleston, WV 25302

Phone: (304) 558-3971

FAX: (304) 558-1280

mbc.wv.gov**NEW ISSUE REPORT FORM**

Date of Report: March 24, 2022

ISSUE: Mount Zion Public Service District Design Funding Assistance, Series 2022
(West Virginia CWSRF Program/Principal Forgiveness)

ADDRESS: 4418 South Calhoun Highway, Grantsville, WV 26147 COUNTY: CalhounPURPOSE OF ISSUE: X New Money
Refunding

Refunds issue(s) dated: _____

ISSUE DATE: March 24, 2022RATE: N/AADMIN FEE: N/AISSUE AMOUNT: \$223,0001st DEBT SERVICE DUE: N/A1st PRINCIPAL DUE: N/A1st DEBT SERVICE AMOUNT: N/APAYING AGENT: Municipal Bond CommissionBOND COUNSEL: Jackson Kelly PLLCContact Name: Samme L. Gee, EsquirePhone: (304) 340-1318Email: sgee@jacksonkelly.com

UNDERWRITERS COUNSEL: _____

Contact Name: _____

Phone: _____

Email: _____

CLOSING BANK: Calhoun BanksContact Name: Martha HaymakerPhone: (304) 354-6116Email: Martha.haymaker@calhounbanks.com

ESCROW TRUSTEE: _____

Contact Name: _____

Phone: _____

Email: _____

KNOWLEDGEABLE ISSUER CONTACT:

Contact Name: Stephanie GoodTitle: Office AdministratorPhone: (304) 354-7799Email: stephanie_lynn86@yahoo.comOTHER : WV DEPContact Name : John GiroirTitle : Program MangerPhone: (304) 926-0499 ex 43836Email: john.giroir@wv.gov

DEPOSITS TO MBC AT CLOSE: _____

By Wire _____

Check _____

In-house Transfer _____

Accrued Interest: _____

Capitalized Interest: _____

Reserve Account: _____

Other : _____

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By Wire _____

Check _____

IGT _____

To Escrow Trustee : _____

To Issuer: _____

To Cons. Invest Fund: _____

To Other : _____

ISSUER NUMBERS:

BANK ID NUMBER: _____

ACCOUNT NUMBER: _____

CUSIP: _____

PROGRAM NUMBER: _____

NOTES: Principal forgiveness. No accounts established at the MBC.

FOR MUNICIPAL BOND COMMISSION USE ONLY:

Documents Required: _____

Transfers Required: _____

Bowles Rice

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Canonsburg, PA 15317

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Winchester, VA 22601

March 24, 2022

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Mount Zion Public Service District
4418 South Calhoun Highway
Grantsville, WV 26147

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

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

Jackson Kelly PLLC
500 Lee Street, Suite 1600
Charleston, WV 25301

Re: Mount Zion Public Service District
Design Funding Assistance, Series 2022
(West Virginia CWSRF Program/Principal Forgiveness)

Ladies and Gentlemen:

We are counsel to Mount Zion Public Service District (the “Local Government”), a public corporation and political subdivision of the State of West Virginia.

We have examined a certified copy of proceedings and other papers relating to the authorization of a Design Funding Assistance Agreement dated March 24, 2022, 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.

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Mount Zion Public Service District
March 24, 2022
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The Design Funding Assistance is being provided for the purposes of (i) designing a wastewater system improvement project, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13A of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the resolution duly adopted by the Local Government on March 7, 2022 (the "Local Act"), pursuant to and under which Local Statute and Local Act, the Design Funding Assistance is authorized and the Funding Assistance Agreement has been undertaken. The Design Funding Assistance is forgivable at the end of each fiscal year in which funds are advanced for the Design.

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, with full power and authority to undertake the Design, 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 appointed, 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.

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

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Mount Zion Public Service District

March 24, 2022

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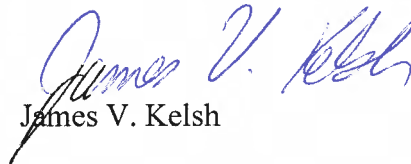
existing law, regulation, court order or consent decree to which the Local Government is subject.

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 Design Funding Assistance, and the undertaking of the Design 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 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 undertaking of the Design, or the operation of the System.

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

Very truly yours,



James V. Kelsh