

THE CITY OF MORGANTOWN

Combined Utility System Revenue Bonds, Series 2014 B

SUPPLEMENTAL PARAMETERS RESOLUTION

SUPPLEMENTAL PARAMETERS RESOLUTION AUTHORIZING AND APPROVING CERTAIN PARAMETERS AS TO THE PRINCIPAL AMOUNT, DATES, MATURITY DATE, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES AND OTHER TERMS OF THE COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2014 B OF THE CITY OF MORGANTOWN; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF SUCH BONDS; AND MAKING OTHER PROVISIONS AS TO THE SERIES 2014 B BONDS, AUTHORIZING A TAX COMPLIANCE POLICY, A CERTIFICATE OF DETERMINATIONS AND OTHER INSTRUMENTS RELATING TO THE BONDS;

WHEREAS, The City of Morgantown (the "Issuer") in the County of Monongalia, State of West Virginia, is a municipality and political subdivision of said State, the governing body of which is its Council (the "Governing Body");

WHEREAS, the Governing Body has duly and officially enacted on July 15, 2014, an Ordinance (the "Ordinance") entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE STORMWATER PORTION OF THE COMBINED SYSTEM OF THE CITY OF MORGANTOWN AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$850,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2014 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AND AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. A. Section 7.08 of the Ordinance is amended to include the following paragraph:

The Issuer shall provide the Purchaser with audited financial statements of the Issuer and of the Morgantown Utility Board, free of significant deficiencies or material weakness, and prepared by an independent Certified Public Accountant, within 270 days of the close of the fiscal year.

B. Section 7.10 of the Ordinance is amended to include the following paragraph:

The Issuer shall provide the Purchaser with a copy of its annual budget, as adopted or amended, within 30 days of adoption or amendment.

Section 5. The Issuer does hereby appoint and designate JP Morgan Chase Bank, NA, Beckley, West Virginia, the Registrar for the Series 2014 B Bonds.

Section 6. The Issuer does hereby appoint and designate the Municipal Bond Commission (the "Commission") as Paying Agent for the Series 2014 B Bonds.

Section 7. Series 2014 B Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2014 B Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2014 B Bonds proceeds in the amount prescribed in the Certificate of Determinations shall be deposited in the Series 2014 B Bonds Reserve Account.

Section 9. The Issuer hereby authorizes the Morgantown Utility Board to requisition proceeds of the Bonds.

Section 10. The issuance of the Series 2014 B Bonds and the acquisition and construction of the Project with proceeds of the Series 2014 B Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 11. The firm of Steptoe & Johnson PLLC, Charleston, West Virginia, is hereby appointed bond counsel to the Issuer in connection with the issuance of the Series 2014 B Bonds.

Section 12. The Tax Compliance Policy attached hereto as Exhibit B is hereby approved.

Section 13. The Mayor and Clerk, and all other appropriate officers and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Series 2014 B Bonds to be duly and properly issued by the Issuer and delivered to the Original Purchaser as herein authorized and to otherwise facilitate the transaction contemplated by this Supplemental Parameters Resolution, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

CERTIFICATION

Certified a true copy of a Supplemental Parameters Resolution duly adopted by the Council of The City of Morgantown on July 15, 2014.

Dated: July 23, 2014.

[SEAL]

Clerk

627490.00056

Determination of Taxability. Any interest being past due on the Series 2014 B Bonds by reason of such increase shall become immediately due and payable.

C. The Series 2014 B Bond shall be payable in _____ monthly installments, commencing _____, 2014, and continuing on the 1st day of each month thereafter to and including _____, 20_____. The monthly installments shall consist of principal and interest and shall be as listed on the debt service schedule attached hereto.

D. The Series 2014 B Bonds are subject to optional redemption in whole or in part, on any interest payment date subsequent to July 31, 2019 at a price of par plus accrued interest, with 30 days written notice to Bank via US Mail.

E. All payments received by the Paying Agent on account of the Series 2014 B Bonds shall be applied first to payment of interest accrued on the Series 2014 B Bonds and next to payment of principal of the Series 2014 B Bonds. If not sooner paid, the entire principal amount of the Series 2014 B Bonds unpaid on _____, 20_____, together with all accrued interest and any other sums due and owing upon the Series 2014 B Bonds shall be due and payable on such date.

3. The Series 2014 Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

4. Series 2014 B Bonds proceeds in the amount of \$-0- shall be deposited at Closing in the Series 2014 B Bonds Reserve Account. The Series 2014 B Bonds Reserve Account will be funded over 10 years until funded in the amount of \$_____ (the "Reserve Requirement").

5. United Bank, Inc., Morgantown, West Virginia is appointed as the Depository Bank.

The undersigned hereby certifies that the foregoing terms and conditions of the Series 2014 B Bonds are within the parameters prescribed by the Supplemental Parameters Resolution, and the Series 2014 B Bonds may be issued with such terms and conditions as authorized by the Supplemental Parameters Resolution.

Debt Service Schedule

THE CITY OF MORGANTOWN
AGENDA ITEMS FOR JULY 15, 2014

- A. To conduct a public hearing and act upon a proposed Bond Ordinance.
- B. To consider on third reading and act upon a proposed Bond Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE STORMWATER PORTION OF THE COMBINED SYSTEM OF THE CITY OF MORGANTOWN AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$850,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2014 B; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AND AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.
- C. To consider and act upon a proposed Supplemental Parameters Resolution relating to the Bonds.

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