

From: Andy Blake []
To: Edward Erfurt [eerfurt@ransonwv.us]
Subject: Fwd: Meeting with ROCKWOOL Wednesday August 8th. 2 - 4 pm.
Date: Thursday, August 02, 2018 15:30:46
Attachment 1: image002.png

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From: Leslie McLaren <leslie.mclaren@rockwool.com>
Sent: Thursday, August 2, 2018 2:29:39 PM
To: Nic Diehl; Duke Pierson; Andy Blake; Josh Compton; bondy.gibson@k12.wv.us; Heather McIntyre (heather@jeffersoncountywvchamber.org); Eric Lewis
Subject: Meeting with ROCKWOOL Wednesday August 8th. 2 - 4 pm.

All,

We acknowledge that there has been tremendous local pressure put on all of you. We remain committed to an open dialogue with our community.

We would like to invite all of you on Wednesday August 8th from 2 -4 (am confirming location, but likely Bavarian) to meet with us, for an open dialogue and sharing of information and concerns.

Attending:

From our Group Head office in Denmark

Mirella Vitale, Sr. VP Group Marketing, Communications & Public Affairs

Michael Zarin - VP Group Communications

From our North American Office

Trent Ogilvie ROCKWOOL NA President

Mark Bromiley VP Marketing & Business Development

Mark Graves - Director Factory Operations, Ranson

Chris Gilmer - Digital Segment Manager

Leslie McLaren – NA Corporate Communications & Stakeholder Relations

Alisha Maddox - Charles Ryan , Public Relations

Susan Lavenski Charles Ryan, Public Relations

I will send a meeting invite as well, but wanted to be sure you can get this on your calendar.

Leslie

Leslie McLaren

North American Manager,
Corporate Communications & Stakeholder Relations

ROCKWOOL

8024 Esquesing Line,
Milton, Ontario L9T 6W3

T 905-875-9307

M 905-691-4471

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From: [Andy Blake](#) on behalf of [Leslie McLaren](#)
To: [Matt Ward](#); [Nic Diehl](#); [Duke Pierson](#); [Andy Blake](#); [Josh Compton](#); [Hans Fogle](#); [Eric Lewis](#); [bondy.gibson@k12.wv.us](#); [Heather McIntyre \(heather@jeffersoncountywvchamber.org\)](#); [todd.e.hooker@wv.gov](#); [Lewis, Joy O](#); [patsynol@gmail.com](#); [Stephanie Grove](#); [Mark Graves](#); [Peter Regenberg](#)
Subject: FW: ROCKWOOL Ranson Project
Start: Wednesday, August 8, 2018 2:00:00 PM
End: Wednesday, August 8, 2018 4:00:00 PM
Location: Bavarian / Terrace Room 164 Shepherd Grade Road, Shepherdstown
Attachments: [Participants.Aug.8.2018.docx](#)
[Agenda.Stakeholders.08.08.18.docx](#)

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From: Leslie McLaren
Sent: Thursday, August 2, 2018 6:46:01 PM (UTC) Coordinated Universal Time
To: Leslie McLaren; Nic Diehl; Duke Pierson; Andy Blake; Josh Compton; Hans Fogle; Eric Lewis; bondy.gibson@k12.wv.us; Heather McIntyre (heather@jeffersoncountywvchamber.org); todd.e.hooker@wv.gov; Lewis, Joy O; patsynol@gmail.com; Stephanie Grove; Mark Graves; Peter Regenberg
Subject: ROCKWOOL Ranson Project
When: Wednesday, August 8, 2018 6:00 PM-8:00 PM.
Where: Bavarian / Terrace Room 164 Shepherd Grade Road, Shepherdstown

Please see attached participants list /Agenda.

We are looking forward to seeing you tomorrow.



ROCKWOOL, Ranson West Virginia
Government Stakeholder Meeting
Date: Wednesday August 8th
Time: 2pm – 4pm
Location: Bavarian Inn – Terrace Room

PARTICIPANTS

State Stakeholders

Austin Caperton	WV DEP Cabinet Secretary
Fred Durham	Director, Division of Air Quality
Joe Kessler	WV DEP DAQ Permit Writer
Jake Glance	WV DEP Communications Director
Todd Hooker	Deputy Director, Business & Industrial Development, Dept. of Commerce
Joy Lewis	Manager, Business Retention & Expansion, Dept. of Commerce
Samantha Smith	Director Marketing & Communications, Dept. of Commerce

Local Stakeholders

Nic Diehl	Executive Director, Jefferson County Development Authority
Eric Lewis	President, Board of Directors, JCDA
Duke Pierson	Mayor Ranson
Andy Blake	City Manager, Ranson
Patsy Noland	County Commissioner
Stephanie Grove	Administrator County Commission
Heather Morgan McIntyre	Executive Director Jefferson County Chamber of Commerce
Dr. Bondy Gibson	School Superintendent
Hans Fogle	Chief PR Officer, School Board

ROCKWOOL

Mirella Vitale	Sr. VP Group Management, ROCKWOOL
Michael Zarin	Vice President Group Communications, ROCKWOOL
Trent Ogilvie	President, ROCKWOOL, North America
Peter Regenberg	VP USA Operations, ROCKWOOL North America
Mark Bromiley	VP Marketing & Business Development ROCKWOOL NA
Mark Graves	Director Factory Operations, Ranson WV
Leslie McLaren	Corporate Communications & Stakeholder Relations ROCKWOOL NA
Chris Gilmer	Digital Communications ROCKWOOL NA

Charles Ryan, Public Relations

Susan Lavenski	CEO/Owner
Alisha Maddox	Chief Communications Officer / Owner

Agenda



Date: Wednesday August 8th, 2018

RE: ROCKWOOL, Ranson West Virginia
Government Stake Holders Meeting

Location: Bavarian Inn, Shepherdstown
Terrace Room

Participants: Attached

WELCOME	Trent Ogilvie, President, ROCKWOOL North America
INTRODUCTIONS	All
RANSON PROJECT UPDATE (2:30 – 2:40)	Trent Ogilvie, President, ROCKWOOL North America
UPDATES FROM CITY OF RANSON (2:40 – 2:50)	Andy Blake, City Manager, Ranson
JC COMMISSION (2:50 – 3pm)	Nic Diehl, Ex. Director JCDA
WV DEP (3pm – 3:10pm)	Austin Caperton, WV DEP Cabinet Secretary Fred Durham, WV DEP Director, Division of Air Quality
COMMUNICATIONS OUTREACH 3:10 – 3:30	Trent Ogilvie , President ROCKWOOL
DISCUSSION & QUESTIONS (3:30 – 3:50 PM)	All
NEXT STEPS (3:50 – 4 PM)	ROCKWOOL and Charles Ryan Associates Teams
ADJOURN (4 PM)	

From: Leslie McLaren [leslie.mclaren@rockwool.com]
To: todd.e.hooker@wv.gov [todd.e.hooker@wv.gov]; Lewis, Joy O [Joy.O.Lewis@wv.gov]; patsynol@gmail.com [patsynol@gmail.com]; Stephanie Grove [sgrove@jeffersoncountywv.org]; Matt Ward [matt.ward@strategiesdc.com]; Nic Diehl [nic@jcda.net]; Eric Lewis [ejlewis@oll-cpas.com]; Duke Pierson [dukepierson8@gmail.com]; Andy Blake [ABlake@ransonwv.us]; Heather McIntyre (heather@jeffersoncountywvchamber.org) [heather@jeffersoncountywvchamber.org]; bondy.gibson@k12.wv.us [bondy.gibson@k12.wv.us]; Hans Fogle [hans.fogle@k12.wv.us]; Smith, Samantha [Samantha.Smith@wv.gov]; jacob.p.glance@wv.gov [jacob.p.glance@wv.gov]; PE Joe Kessler (joseph.r.kessler@wv.gov) [joseph.r.kessler@wv.gov]; ferrell.mark@epa.gov [ferrell.mark@epa.gov]
Subject: Media Statement / Government Stakeholder Meeting Wednesday August 8th/ 2018
Date: Wednesday, August 08, 2018 17:38:30
Attachment 1: image003.png
Attachment 2: 2018-08-08 ROCKWOOL media statement - Ranson.pdf

All,

Thank you for your time today – having an opportunity to hear your concerns and concerns of your community was invaluable.

We appreciate the feedback.

Please see the attached media statement. We heard your significant concern that was raised today about the potential for the Ranson facility to use petroleum coke in the manufacturing process. ROCKWOOL is committing today, that we will Not use petroleum coke in the Ranson facility.

Matt, I apologize for the error, as your name does not appear on the participant list – we have sent a note to the press with this correction.

Samantha, can you please send to Fred Durham and Sec. Caperton's office please.

Leslie

Leslie McLaren

North American Manager,
Corporate Communications & Stakeholder Relations

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MEDIA STATEMENT

August 8, 2018

“Today, we met with representatives from several local, state and federal agencies in Jefferson County to share information about the ROCKWOOL facility in Ranson and to better understand the concerns of area residents.

We appreciate the time they spent with us to bring these concerns to our attention. We have committed to the attendees of today’s meeting to answer their questions and provide in-depth information regarding the process to build and operate the facility here in Ranson.

We will continue to work closely with the greater Jefferson County community to provide information and address concerns throughout the project, including making presentations to local community groups.

We welcome members of the community to join us at our Community Open House on Saturday, August 25, from 10 a.m. to 2 p.m. at the Jefferson County Community Center in Shenandoah Junction. More information can be found at www.rockwool.com/westvirginia.

Additionally, a significant concern raised today is the potential for the Ranson facility to use petroleum coke in the manufacturing process. ROCKWOOL is committing today that we will not use petroleum coke in the Ranson facility.”

Trent Ogilvie, President of ROCKWOOL North America

Those invited to the meeting today include:

ROCKWOOL, Ranson West Virginia
Government Stakeholder Meeting
Date: Wednesday August 8th
Time: 2pm – 4pm
Location: Bavarian Inn – Terrace Room

PARTICIPANTS

Mark Ferrell	Environmental Protection Agency, Mid-Atlantic Liaison
Austin Caperton	WV Department of Environmental Protection, Cabinet Secretary
Fred Durham	Director, Division of Air Quality
Joe Kessler	WV Department of Environmental Protection, Division of Air Quality, Permit Writer
Jake Glance	WV Department of Environmental Protection, Communications Director



Todd Hooker	Deputy Director, Business & Industrial Development, WV Dept. of Commerce
Joy Lewis	Manager, Business Retention & Expansion, WV Dept. of Commerce
*Samantha Smith	Director Marketing & Communications, WV Dept. of Commerce
Nic Diehl	Executive Director, Jefferson County Development Authority
Eric Lewis	President, Board of Directors, JCDA
Duke Pierson	Mayor Ranson
Andy Blake	City Manager, Ranson
Patsy Noland	County Commissioner
Stephanie Grove	Administrator County Commission
*Heather Morgan McIntyre	Executive Director Jefferson County Chamber of Commerce
*Dr. Bondy Gibson	School Superintendent
*Hans Fogle	Chief PR Officer, School Board

ROCKWOOL

Trent Ogilvie	President, ROCKWOOL North America
Mirella Vitale	Sr. VP, Group Management, ROCKWOOL
Michael Zarin	Vice President, Group Communications, ROCKWOOL
Peter Regenberg	VP USA Operations, ROCKWOOL North America
Mark Bromiley	VP Marketing & Business Development ROCKWOOL North America
Mark Graves	Director Factory Operations, Ranson, WV
Leslie McLaren	Corporate Communications & Stakeholder Relations ROCKWOOL North America
Chris Gilmer	Digital Communications ROCKWOOL North America

*did not attend

From: [Andy Blake](#)
To: [Duke Pierson](#); [Mike Anderson](#); tony@granthome.net; [S Coulter](#); [Don Haines](#)
Cc: [CityStaffLeaders](#)
Subject: Fwd: Media Statement / Government Stakeholder Meeting Wednesday August 8th/ 2018
Date: Monday, August 27, 2018 6:56:24 PM
Attachments: [2018-8-16 Letter to Rockwool Regarding Questions.pdf](#)
[2018-08-24 Response to Letter from CoR dated 2018-08-16.pdf](#)
[WVDAQ-Response to Andrew Blake-re-Rockwool-signed.pdf](#)
[image002.png](#)

Mayor/Council:

Attached is a letter with my signature to Rockwool and WV DEP that asked some specific questions we have heard over last few weeks. Rockwool and WV DEP responded. I attach the letters for your review as Rockwool released the letters to the Spirit- which plans to publish them in some form or other this week. I wanted to provide them to you first.

Thanks
Andy

From: Andy Blake
Sent: Monday, August 27, 2018 4:04:07 PM
To: Leslie McLaren; todd.e.hooker@wv.gov; Lewis, Joy O; patsynol@gmail.com; Stephanie Grove; Matt Ward; Nic Diehl; Eric Lewis; Duke Pierson; Heather McIntyre (heather@jeffersoncountywvchamber.org); bondy.gibson@k12.wv.us; Hans Fogle; Smith, Samantha; jacob.p.glance@wv.gov; PE Joe Kessler (joseph.r.kessler@wv.gov); ferrell.mark@epa.gov
Subject: RE: Media Statement / Government Stakeholder Meeting Wednesday August 8th/ 2018

Good afternoon:

On August 8, Ranson asked certain questions of representatives of Rockwool during Rockwool's meeting with community leaders. After that meeting, the City of Ranson wrote a letter to the WV DEP and Rockwool summarizing Ranson's questions – along with some supplemental questions that we received from constituents. Rockwool and the WV DEP kindly responded to the questions by letter last week. I attach Ranson's letter and the responses of the WV DEP and Rockwool.

Thanks,
Andy

Andrew P. Blake
City Manager
City of Ranson
312 S. Mildred Street
Ranson, WV 25438
(304) 724-3872

From: Leslie McLaren <leslie.mclaren@rockwool.com>

Sent: Wednesday, August 8, 2018 6:39 PM

To: todd.e.hooker@wv.gov; Lewis, Joy O <Joy.O.Lewis@wv.gov>; patsynol@gmail.com; Stephanie Grove <sgrove@jeffersoncountywv.org>; Matt Ward <matt.ward@strategiesdc.com>; Nic Diehl <nic@jcda.net>; Eric Lewis <ejlewis@oll-cpas.com>; Duke Pierson <dukepierson8@gmail.com>; Andy Blake <ABlake@ransonwv.us>; Heather McIntyre (heather@jeffersoncountywvchamber.org) <heather@jeffersoncountywvchamber.org>; bondy.gibson@k12.wv.us; Hans Fogle <hans.fogle@k12.wv.us>; Smith, Samantha <Samantha.Smith@wv.gov>; jacob.p.glance@wv.gov; PE Joe Kessler (joseph.r.kessler@wv.gov) <joseph.r.kessler@wv.gov>; ferrell.mark@epa.gov

Subject: Media Statement / Government Stakeholder Meeting Wednesday August 8th/ 2018

All,

Thank you for your time today – having an opportunity to hear your concerns and concerns of your community was invaluable.

We appreciate the feedback.

Please see the attached media statement. We heard your significant concern that was raised today about the potential for the Ranson facility to use petroleum coke in the manufacturing process. ROCKWOOL is committing today, that we will Not use petroleum coke in the Ranson facility.

Matt, I apologize for the error, as your name does not appear on the participant list – we have sent a note to the press with this correction.

Samantha, can you please send to Fred Durham and Sec. Caperton's office please.

Leslie

Leslie McLaren

North American Manager,
Corporate Communications & Stakeholder Relations

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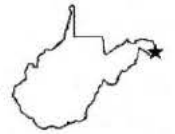
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City of Ranson

Office of the City Manager

312 South Mildred Street
Ranson, West Virginia 25438-1621
Phone (304) 725-1010 | Fax (304) 728-8579



Council Members:

Mike Anderson
Dave Cheshire
Scott Coulter
Donnie Haines
Tony Grant
James Watson

Duke Pierson - Mayor

August 16, 2018

ROCKWOOL

Trent Ogilvie, CEO
8024 Esquesing Line,
Milton, Ontario L9T 6W3
(By Email)

Fred Durham

West Virginia Department of Environmental Protection
601 57th Street SE
Charleston, WV
(By email: William F. Durham@wv.gov)

Subject: Ranson Questions Regarding Rockwool Plant Public Health & Environmental Issues

Dear Mr. Ogilvie and Mr. Durham:

As a follow-up to our meeting on August 8, 2018, the City of Ranson seeks to better understand the proposed process for production of mineral wool products and the air pollutants that may be emitted at the planned Rockwool manufacturing plant in Ranson. As all parties know, it has become clear that the Jefferson County public has become very concerned about the Rockwool-Ranson plant and has asked many legitimate and well-reasoned questions. In late 2017/early-2018, the City of Ranson relied upon the West Virginia Department of Environmental Protection (WV DEP), the U.S. Environmental Protection Agency (EPA), and the public permitting process to answer relevant questions regarding the air quality issues related to Rockwool-Ranson as those agencies have the staff with technical and scientific knowledge in the subject-matter.

Ranson understands that WV DEP conducted a full permitting process, which included public participation processes, which ultimately led to a permit issued on April 30, 2018, which applied laws, regulations, and standards established under the federal Clean Air Act and its Prevention of Significant Deterioration (PSD), its National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Mineral Wool Production, and other regulations. For whatever reasons, no citizens, organizations or parties, other than U.S. EPA Region 3, participated in the WV DEP air permitting process for Rockwool. Because of this lack of comment, the City and other relevant agencies did not raise concern or attention to the Air Permit process at that time. But, now citizens have raised concerns and comments about their public health and safety and we believe it is our duty to answer our citizens' and neighbors' questions as best we can in effort to ensure that the public health or safety is not in jeopardy.

While we understand that the Rockwool-Ranson plant is now permitted under federal and state standards, Ranson officials are not able to answer the question of its citizens “is it safe”? And, we want to know. Since early July 2018, Ranson officials and staff have been intently listening to our constituents, but while we have been listening we have also been reviewing the permitting process; raw materials list; draft building plans; the air permit application and final air permit. We have also conducted independent research into the process and have talked with various stakeholders including independent experts throughout the community and the country.

Our review of the relevant documents and conversations have led to several questions. Thus, we ask Rockwool North America and the WV DEP, to provide to the City of Ranson the best information available regarding the following questions and concerns. Ranson suggests that it would be valuable for Rockwool to make your environmental and technical staff and consultants, particularly those involved in the Clean Air Act permitting process, available to support the needed dialogue on the issues and questions raised in this letter.

- 1.) We understand that the Rockwool-RAN melting furnace is permitted to be fueled by as much as 91 tons per day (tpd) of lump coal or petroleum coke. On August 8, 2018, Rockwool North America’s CEO committed to Ranson Mayor Duke Pierson and announced publicly that Rockwool will not use or burn pet coke in the Ranson facility. What assurances or permit changes is Rockwool able to provide that this commitment to not use petroleum coke will be maintained?
- 2.) We understand that mineral wool production plants can use raw materials including indigenous rock, slag and minerals. Your current permit allows at page 18 the use of “slag” as a raw feedstock material. We understand from Rockwool North America’s web site that your materials may use between 19% to 42% “recycled material” as a raw material.
 - a. Will any of the recycled material be industrial slag? What are the projected amounts that will be used, as a percentage of raw materials, and in units per day and/or year?
 - b. What will be the supply sources of industrial slags that may be used? Will there be different and varying sources of such materials?
 - c. What is the nature or makeup of the industrial slag that will be used? Will the makeup of this slag vary by supply source and shipment? What is the process in place for Rockwool to have knowledge of the materials composition of different sources of slag, particularly with respect to potential metals, toxins, or other materials of concern that might potentially be burned, melted, emitted, or otherwise become an output of the plant?
- 3.) We understand that ammonia will be used in the SNCR control technology process in the melting furnace. What are the storage capacities of the ammonia tanks at the planned Rockwool plant? What are the expected storage levels that will actually occur in these tanks? What form will such ammonia be (i.e. aqueous or anhydrous)? What form will be transported to the site? What form will be stored at the site? Will Rockwool be required to establish emergency response or evacuation plans for workers or nearby facilities such as schools?
- 4.) We understand that the permit includes a secondary waste incinerator at the Ranson facility. What role will this play in the production process? What could and will be permissibly burned or used in that equipment?

- 5.) The Rockwool-Ranson facility is permitted to emit 392 tons per year of hazardous air pollutants. Does Rockwool have an estimate or projection of actual emissions of HAPS that will result at the Ranson facility? Are you able to provide comparisons to other Rockwool plants, such as in Byhalia MS and Milton, Ontario CA, regarding permitted vs. actual emissions of hazardous air pollutants at those facilities? Is Rockwool able to help Ranson understand how these levels of potential / actual emissions may relate to the emissions of hazardous air pollutants by other, “everyday” sources such as freight rail locomotives, vehicles, or other kinds of factories?
- 6.) The Rockwool PSD permit states at p. 34 that the permitted emissions from the gutter exhaust, spinning chamber, curing ovens, curing oven hoods, and cooling section equipment will include 92.89 tons per year of PM, 92.89 TPY of PM-10, and 92.89 TPY of Mineral Fiber. Are these three 92.89 permitted emission amounts referring to the same emissions, or three separate types of emissions which each have the same numeric value? What is the nature of a “Mineral Fiber” emission? Will the nature, makeup or quality of emitted Mineral Fiber or particulate matter change, depending on the type of material used in the melting furnace (that is, the questions in #2)?
- 7.) It appears that the Rockwool-Ranson plant will utilize “Afterburner” technology to control emissions of Volatile Organic Compounds such as phenol, formaldehyde, and methanol. Will the Afterburner control other pollutants such as PM or other pollutants? Are the permitted emissions amounts established in the Pre-Construction permit emissions with Afterburner controls, or measured without taking into account the emissions-reducing effects of the Afterburner?
- 8.) Has Rockwool or DEP conducted a Human Health Risk Assessment or health-based air modeling and screening analysis with respect to the toxic air pollutant emissions from the Ranson plant? Is the WV DEP and/or Rockwool willing to conduct such an analysis and provide such results to the public as requested by the Jefferson County Board of Education?
- 9.) On August 8, Rockwool said that it would consider a program to conduct monitoring of actual emissions from the Ranson plant at off-site locations that could include nearby schools. What is the nature and plans for such a commitment, or next steps for discussing an independent monitoring approach?
- 10.) Citizens and other stakeholders concerned about potential impacts on Jefferson County’s tourism-based economy have expressed concerns regarding the potential visual impact of the planned 213’ smokestacks at the planned Rockwool-Ranson plant. Has Rockwool conducted a visual impact analysis regarding the potential viewshed impacts of the stacks? Are you willing and able to conduct such a viewshed analysis?
- 11.) Given the levels of community concern and opposition, does Rockwool see value in having an independent environmental facilitator or mediator involved in 2018 in an effort to resolve controversies and concerns regarding the planned Ranson plant? Does Rockwool see value in having an independent environmental scientist or technical expert involved in supporting that process? Please consider whether Rockwool would seek any conditions or parameters on such an independent facilitation and/or technical evaluation process.

The City of Ranson hopes that Rockwool and WV DEP can provide effective responses to these questions prior to Rockwool's August 25, 2018, event. Ranson believes it is important to be transparent with the public on both these questions and the responses. Thank you for your continued consideration and cooperation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew P. Blake". The signature is fluid and cursive, with a long horizontal stroke at the end.

Andrew P. Blake
City Manager



To: Andy Blake, City of Ranson
CC: Fred Durham, WVDEP
From: Trent Ogilvie, President, ROCKWOOL North America

Date: August 24th, 2018
Re: Response to your letter dated August 16th, 2018

Dear Mr. Blake,

Please find ROCKWOOL's response to your letter dated August 16th, 2018.

Question #1

ROCKWOOL North America has publicly committed not to use petroleum coke in our Ranson facility.

The environmental authorities and the City of Ranson officials will be welcome to visit our plant and verify the raw materials in use, including that petroleum coke is not being used.

Question #2

At ROCKWOOL, we produce stone wool, not slag wool. Abundant volcanic rock such as basalt and diabase are the core of our process and the key raw material we melt. We can use other materials in our melting process to adjust the chemical composition and viscosity of the melt, among which are blast furnace slag or converter slag, which are residual materials from the manufacture of iron or steel.

The benefit of blast furnace or converter slag is that they are very clean materials in terms of emissions and impurities as these were removed the first time the material was melted when producing iron or steel. On top of that, blast furnace/converter slag melts easily, and thus require less energy to melt. Blast furnace slag is often used as road filler or taken to deposit, so using it is a benefit to the environment (less landfilling) as well as consuming less energy. It's possible that we would use blast furnace or converter slag at our site in Ranson, depending on its availability. From an emission point of view, blast furnace and converter slag contain some sulphur, which is abated in our desulphurisation plant, thus the impact on final emissions is minimal.

The utilization of these slags basically depends on their availability.

The slags may have small difference from one producer to the other. We will have a robust Quality Control System in Ranson to ensure the quality and composition of any new raw material coming from any new supplier. This includes gathering of information from the supplier about material composition including trace elements, counter check of them by means of lab analysis and evaluation of the impact in the process, emissions, quality of final product.



Question #3

For the SNCR and as an additive for the binder, we use aqueous ammonia.

The aqueous ammonia we will use is not classified as hazardous.

We will have two tanks each with a capacity of 35 m³ (9,246 gal). The tanks will normally be about 80 percent filled. The tanks will be located in a designated containment area for storage of binder and fluids. All tanks are subject to approval by DEP according to Above Ground Storage Tank (AST) rules. The rule will include approval of the engineering of the tanks, the integrity of the concrete basin and piping, all of which will be inspected by a licensed company.

The factory has an emergency procedure in place to handle an ammonia spill. ROCKWOOL is not required to provide external emergency response or evacuation plans for our other facilities. ROCKWOOL will investigate the local requirements and act accordingly.

The delivery of aqueous ammonia will be by tank trucks. They will not pass by the Jefferson North Elementary School.

Question #4

The factory will not have a secondary waste incinerator. Also for clarity, the furnace is not a waste incineration plant.

Question #5

The vast majority of HAPs emitted consist of Volatile Organic Compounds (VOCs) such as methanol, phenol and formaldehyde. Based on our experience in our Byhalia, MS facility, we expect that the actual emissions of VOC will be approximately 40 percent of the permitted level. Mineral fibers are also classified as HAPS; please see answer to Question #6 for further information.

Our Ranson facility would rank as #14 in WV in terms of VOC emissions.

The air permits in Milton and Marshal County, MS are based on two different principles, due to the differences in legislation between Canada and the United States. Our technical team is currently working on getting this data gathered and we will revert as soon as the information is available. In the meanwhile, please find below a comparison between actual and permitted limits for our facilities in the United States:



Comparison of Air emissions for MAR and for RAN

Emissions Annual Total		Permitted emissions (Potential to Emit, PTE)			Actual emissions
		RAN permit	MAR permit	MAR permit excl. L2	2017 Emission, MAR
(ton/yr)		Ranson, WV	Byhalia, MS	Byhalia, MS	Byhalia, MS
Sulfur Dioxide	SO ₂	148	760	380	148
Carbon Monoxide	CO	71	291	153	13
Nitrogen Oxides	NO _x	239	410	212	78
Volatile Organic Compounds	VOC	471	1890	971	97
Filterable Particulate Matter	Total PM	251	430	223	31
Particulate Matter <10 microns	PM ₁₀	153	426	218	27
Particulate Matter <2.5 microns	PM _{2.5}	133	209	108	25
Total Hazardous Air Pollutants	Total HAP	393	1662	1028	38
Sulfuric Acid	H ₂ SO ₄	16	30	15	4
Lead	Pb	<0.01	<0.01	<0.01	<0.01
Carbon Dioxide Equivalents	CO ₂ e	152955	332398	169348	31886

MAR permit is for 2 lines and for one Rockfon, and RAN is for one line and one Rockfon. MAR permit excluding line 2 is the emissions related to the installed plant.

Permitted emissions are higher than actual emissions because they are based on the production with highest emission on a hourly basis and for full year (8760 hrs). Therefore Actual emissions will always be lower than permitted.



CONFIDENTIAL | Author: 21 April 2017 | © ROCKWOOL International AS

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Question #6

The numbers are not additive, however there is some overlap. Particulate matter (PM) includes mineral fiber, therefore this number is the same. This is because we very conservatively set mineral fibre as equal to the particle emission (PM).

The different types of particles have individual definitions from a regulatory perspective, but have some overlap.

The mineral fibers will not be impacted by different raw materials for the melting process. The produced mineral fibers meet a specific final chemistry. Mineral fibers consist of rock wool fibers, such as those produced as part of the finished product.

The WESP is a highly efficient system to control fine particles.

Question #7

The flue gasses from the curing oven are treated by an afterburner, which controls the VOCs. After this, the flue gas will pass through the WESP for control of PM.

The afterburner was considered to be the most effective BACT (Best Available Control Technology) for controlling the curing oven exhaust of VOC (phenol, formaldehyde, methanol).

The permit emission rates are emissions to air after abatement systems.



Question #8

ROCKWOOL understands the concern raised by the School Board regarding the proximity of the local schools. We are committed to support an independent health risk assessment, assessing the plant's impact in the area of the local schools.

Question #9

We have committed to monitoring air quality by:

- Installing monitoring stations
- Ensuring they are managed by a third party
- Making the information publicly available.

Next steps will be to define what substances to measure and the location of the stations. We would like to define it, involving the main stakeholders using the following criteria:

- Use maximum modeled facility impact
- Considering sensitive locations (e.g. schools)
- Using climatological factors
- According to U.S. EPA siting criteria
- Considering other known significant local emission sources

What's more, via our Facebook page, we have solicited community input on what should be measured and where.

Question #10

ROCKWOOL is working on a viewshed model to show the visibility of any part of the factory structure. The model takes topography and trees into account.

Question #11

To apply for and secure the air permit, we successfully completed each step of the very robust, well-established process. The highly regarded professional consultancy Environmental Resource Management (ERM) has calculated the impact of the facility by using an Air Quality Dispersion Model.

The model used is AERMOD, which has been validated extensively by EPA and is known to predict conservative results.

Modeling is done in accordance with EPA's Guideline on Air Quality Models (40 CFR 51, Appendix W), and modeling protocol approved by WVDEP.

This robust process is concluded in issuing the air permit, which is a public document available online.

What's more, as noted above, we have committed to monitoring the quality of the air by installing monitoring stations.

Based on the facts that a very robust evaluation and approval process was completed according to standard procedures; that State and Federal Environmental Authorities gave their approval; and that air quality will be monitored by monitoring stations, we do not see the need to have another assessment.

While always ensuring protection of our intellectual property rights, we are naturally open to fact-based, professional dialogue with subject matter experts on these and other topics.



west virginia department of environmental protection

Division of Air Quality
601 57th ST SE
Charleston, WV 25304

Austin Caperton, Cabinet Secretary
dep.wv.gov

August 23, 2018

Andrew P. Blake, City Manager
City of Ranson
Via email to ABlake@ransonwv.us

Dear Mr. Blake:

I received your letter regarding questions about the Rockwool Plant via email. As you correctly pointed out, WV DEP conducted a full [air] permitting process. Thus, the Division of Air Quality (DAQ) has fulfilled its obligations under federal and state law at this point. Your letter was directed to both Trent Ogilvie (Rockwool, CEO) and me. I want to emphasize the only formal relationship between the two entities is that of Permittee (DAQ) and the Permittee (Rockwool). DAQ issued the air permit and will ensure that the company complies with all applicable requirements. DAQ does not control Rockwool's business decisions and its activities outside the confines of the air permit.

Your letter contains eleven (11) enumerated questions. Most of them appear to be directed to Rockwool and address topics that DAQ cannot address. That is the case for parts of questions 1, 2, 3, and 6 and all of questions 5, 9, 10 and 11.

Question 1: *We understand that the Rockwool-RAN melting furnace is permitted to be fueled by as much as 91 tons per day (tpd) of lump coal or petroleum coke. On August 8, 2018, Rockwool North America's CEO committed to Ranson Mayor Duke Pierson and announced publicly that Rockwool will not use or burn pet coke in the Ranson facility. What assurances or permit changes is Rockwool able to provide that this commitment to not use petroleum coke will be maintained?*

Question 2: *We understand that mineral wool production plants can use raw materials including indigenous rock, slag and minerals. Your current permit allows at page 18 the use of "slag" as a raw feedstock material. We understand from Rockwool North America's web site that your materials may use between 19% to 42% "recycled material" as a raw material.*

- a. *Will any of the recycled material be industrial slag? What are the projected amounts that will be used, as a percentage of raw materials, and in units per day and/or year?*
- b. *What will be the supply sources of industrial slags that may be used? Will there be different and varying sources of such materials?*
- c. *What is the nature or makeup of the industrial slag that will be used? Will the makeup of this slag vary by supply source and shipment? What is the process in place for Rockwool*

Promoting a healthy environment.

to have knowledge of the materials composition of different sources of slag, particularly with respect to potential metals, toxins, or other materials of concern that might potentially be burned, melted, emitted, or otherwise become an output of the plant?

DAQ Answer (1 & 2): Many of the specific issues raised in questions 1 & 2 are those which cannot be addressed by DAQ. The role of DAQ is to ensure that emission limits from the facility meet all regulatory requirements. Compliance with the Melting Furnace emission limits (Table 4.1.1(a)) is based on a complex suite of methods independent of the volume or type of fuel used in the melting process.

Question 3: *We understand that ammonia will be used in the SNCR control technology process in the melting furnace. What are the storage capacities of the ammonia tanks at the planned Rockwool plant? What are the expected storage levels that will actually occur in these tanks? What form will such ammonia be (i.e. aqueous or anhydrous)? What form will be transported to the site? What form will be stored at the site? Will Rockwool be required to establish emergency response or evacuation plans for workers or nearby facilities such as schools?*

DAQ Answer: Ammonia is not a regulated pollutant under 45CSR13 or 45CSR14 and, while the transport and storage is subject to other regulatory requirements, they are not under the purview of DAQ related to this permit.

Question 4: *We understand that the permit includes a secondary waste incinerator at the Ranson facility. What role will this play in the production process? What could and will be permissibly burned or used in that equipment?*

DAQ Answer: There is no separate secondary waste incinerator permitted at the RAN Facility. However, the Melting Furnace will be capable of processing recycled material.

Question 6: *The Rockwool PSD permit states at p. 34 that the permitted emissions from the gutter exhaust, spinning chamber, curing ovens, curing oven hoods, and cooling section equipment will include 92.89 tons per year of PM, 92.89 TPY of PM-10, and 92.89 TPY of Mineral Fiber. Are these three 92.89 permitted emission amounts referring to the same emissions, or three separate types of emissions which each have the same numeric value? What is the nature of a "Mineral Fiber" emission? Will the nature, makeup or quality of emitted Mineral Fiber or particulate matter change, depending on the type of material used in the melting furnace (that is, the questions in #2)?*

DAQ Answer: The permit conservatively assumed that all the filterable particulate matter emitted from the Wet Electro-Static Precipitator (WESP) was also Mineral Fiber emissions. Therefore, both of those emission limits represent the same material. This limit, pursuant to information in the permit application, was based on stack testing at a similar facility and scaled to the RAN Facility. It is important to note that the filterable PM and PM₁₀ emission limits are each, regardless of the overlap in emissions counting toward each, an independent and enforceable limit. Compliance with one does not determine compliance with the other.

Mineral Fibers are the synthetic vitreous fibers that are the primary constituency of the mineral wool insulation and ceiling tiles produced at the RAN Facility. While the make-up of these mineral fibers may change depending on the manufacturing process, once emitted as particulate matter they are only regulated as such (and as a PM-HAP) independent of the specific molecular make-up of the fiber.

Question 7: *It appears that the Rockwool-Ranson plant will utilize "Afterburner" technology to control emissions of Volatile Organic Compounds such as phenol, formaldehyde, and methanol. Will the Afterburner control other pollutants such as PM or other pollutants? Are the permitted emissions amounts established in the Pre-Construction permit emissions with Afterburner controls, or measured without taking into account the emissions-reducing effects of the Afterburner?*

DAQ Answer: The Afterburner (thermal oxidizer) is defined as the Best Available Control Technology (BACT) for all emissions of VOCs (including VOC-HAPs such as phenol, methanol, and formaldehyde) emitted from the Curing Oven. The Afterburner will also provide some control of CO emissions as emitted from the natural gas burners providing heat to the Curing Oven. While the Afterburner does not control particulate matter or any other pollutants, all emissions collected from the Gutter Exhaust, Spinning Chamber, Curing Oven Hoods, Curing Oven, and Cooling Section are vented through the WESP prior to release. The permitted limits are with the Afterburner's control efficiency taken into consideration.

Question 8: *Has Rockwool or DEP conducted a Human Health Risk Assessment or health-based air modeling and screening analysis with respect to the toxic air pollutant emissions from the Ranson plant? Is the WV DEP and/or Rockwool willing to conduct such an analysis and provide such results to the public as requested by the Jefferson County Board of Education?*

DAQ Answer: The permitting process established by the Clean Air Act, as implemented by U.S. EPA and DAQ, is designed to protect human health. DAQ is not required to conduct a Human Health Risk Assessment (HHRA) or health-based air modeling and screening analysis with respect to the toxic air pollutant emissions from the Ranson plant. The DAQ does not possess the resources to conduct the kind of comprehensive assessment you describe. The U.S. EPA outlines the components of a HHRA at <https://www.epa.gov/risk/conducting-human-health-risk-assessment>.

Sincerely,

A handwritten signature in blue ink, appearing to read "William F. Durham", is written over a horizontal line.

William F. Durham
Director

From: Lyle
To: [Julia Yuhasz](#); [Lyn Goodwin](#); [Andy Blake](#); [Annette Gavin](#); bmartz@shepherd.edu; [Eric Lewis](#); kfoto@frontiernet.net; hgmills@citlink.net; jkruland@raiprops.com; karantownsend@gmail.com; bolivarth@frontiernet.net; robertmichaelshepp@gmail.com; mchapman@royalvendors.com; neil.mclaughlin@wvumedicine.org; stevestolipher@hotmail.com; tonyrobertsrealtor@gmail.com; dancastocpa@gmail.com; ponoszko@aol.com; dhennessy@charlestownwv.us; [Harry Wilkins](#); [Nic Diehl](#)
Cc: [Jane Jones](#)
Subject: Re: JCDA SPECIAL BOARD MEETING - AUGUST 6
Date: Sunday, August 5, 2018 10:22:25 PM

Thank you, Nic.

Lyle Tabb, IV
Lyle C. Tabb & Sons, Inc.
1040 Old Leetown Pike
Kearneysville, WV 25430
304-582-9396

From: Nic Diehl
Sent: Sunday, August 5, 2018 10:21:26 PM
To: [Julia Yuhasz](#); [Lyn Goodwin](#); Ablake@cityofransonwv.net; [Annette Gavin](#); bmartz@shepherd.edu; [Eric Lewis](#); kfoto@frontiernet.net; hgmills@citlink.net; jkruland@raiprops.com; karantownsend@gmail.com; bolivarth@frontiernet.net; lyletabb@hotmail.com; robertmichaelshepp@gmail.com; MCHAPMAN@royalvendors.com; neil.mclaughlin@wvumedicine.org; stevestolipher@hotmail.com; tonyrobertsrealtor@gmail.com; dancastocpa@gmail.com; ponoszko@aol.com; dhennessy@charlestownwv.us; [Harry Wilkins](#)
Cc: [Jane Jones](#)
Subject: Re: JCDA SPECIAL BOARD MEETING - AUGUST 6
Here is the email from the bond attorney. It is just an addition of dates on page 35.
"Gentlemen:
The ordinance I sent on Friday had "blanks" for the date of the meetings and the public hearing. The attached ordinance is virtually identical, except I have noted the reading dates as July 17, 2018, August 6, 2018 and the public hearing and final reading on September 18, 2018.
Thanks. John"
Thanks,
Nic

Nicolas H. Diehl
Executive Director
304-728-3255 (O)
304-702-3700 (M)
nic@jcda.net



From: [Julia Yuhasz](#)
Date: Sunday, August 5, 2018 at 10:10 PM

To: Nic Diehl , Lyn Goodwin , Andy Blake , Annette Gavin Bates , Benjamin Martz , "Eric J. Lewis" , Gary Kable , Howard Mills , Jim Ruland , Karan Townsend , Laura Whittington , Lyle Tabb , Michael Shepp , Mike Chapman , "neil.mclaughlin@wvumedicine.org" , Steve Stolipher , Tony Roberts , Daniel Casto , Peter Onoszko , Daryl Hennessy , Harry Wilkins

Cc: Jane Jones

Subject: RE: JCDA SPECIAL BOARD MEETING - AUGUST 6

Nic,

Can you advise on the revisions made?

Thanks,

Julia

From: Nic Diehl [mailto:nic@jcda.net]

Sent: Sunday, August 05, 2018 10:08 PM

To: Lyn Goodwin ; Ablake@cityofransonwv.net; Annette Gavin ; bmartz@shepherd.edu; Eric Lewis ; kfoto@frontiernet.net; hgmills@citlink.net; jkruland@raiprops.com; Julia Yuhasz ; karantownsend@gmail.com; bolivarth@frontiernet.net; lyletabb@hotmail.com; robertmichaelshepp@gmail.com; MCHAPMAN@royalvendors.com; neil.mclaughlin@wvumedicine.org; stevestolipher@hotmail.com; tonyrobertsrealtor@gmail.com; dancastocpa@gmail.com; ponoszko@aol.com; dhennessy@charlestownwv.us; Harry Wilkins

Cc: Jane Jones

Subject: Re: JCDA SPECIAL BOARD MEETING - AUGUST 6

I apologize for sending this so late but the attorney sent me a revised document. See attached. 

Nic

Nicolas H. Diehl
Executive Director
304-728-3255 (O)
304-702-3700 (M)
nic@jcda.net



From: Nic Diehl <nic@jcda.net>

Date: Saturday, August 4, 2018 at 2:14 PM

To: Lyn Goodwin <lyngoodwin@jcda.net>, Andy Blake <Ablake@cityofransonwv.net>, Annette Gavin Bates <annette.gavin@jccvb.com>, Benjamin Martz <bmartz@shepherd.edu>, "Eric J. Lewis" <ejlewis@oll-cpas.com>, Gary Kable <kfoto@frontiernet.net>, Howard Mills <hgmills@citlink.net>, Jim Ruland <jkruland@raiprops.com>, Julia Yuhasz <JYuhasz@hospiceotp.org>, Karan Townsend <karantownsend@gmail.com>, Laura Whittington <bolivarth@frontiernet.net>, Lyle Tabb <lyletabb@hotmail.com>, Michael Shepp <robertmichaelshepp@gmail.com>, Mike Chapman <MCHAPMAN@royalvendors.com>, "neil.mclaughlin@wvumedicine.org" <neil.mclaughlin@wvumedicine.org>, Steve Stolipher <stevestolipher@hotmail.com>, Tony Roberts <tonyrobertsrealtor@gmail.com>, Daniel Casto <dancastocpa@gmail.com>, Peter Onoszko <ponoszko@aol.com>, Daryl Hennessy

<dhennessy@charlestownwv.us>, Harry Wilkins <Wilkins.HT@gmail.com>

Cc: Jane Jones <janejones@jcda.net>

Subject: Re: JCDA SPECIAL BOARD MEETING - AUGUST 6

Please see the attached bond ordinance for Monday. Feel free to give me a call over the weekend if you have questions.

Thanks,

Nic

Nicolas H. Diehl
Executive Director
304-728-3255 (O)
304-702-3700 (M)
nic@jcda.net



From: Lyn Goodwin <lyngoodwin@jcda.net>

Date: Friday, August 3, 2018 at 3:48 PM

To: Andy Blake <Ablake@cityofransonwv.net>, Annette Gavin Bates <annette.gavin@jccvb.com>, Benjamin Martz <bmartz@shepherd.edu>, "Eric J. Lewis" <ejlewis@oll-cpas.com>, Gary Kable <kfoto@frontiernet.net>, Howard Mills <hgmills@citlink.net>, Jim Ruland <jkruland@raiprops.com>, Julia Yuhasz <JYuhasz@hospiceotp.org>, Karan Townsend <karantownsend@gmail.com>, Laura Whittington <bolivarth@frontiernet.net>, Lyle Tabb <lyletabb@hotmail.com>, Michael Shepp <robertmichaelshepp@gmail.com>, Mike Chapman <MCHAPMAN@royalvendors.com>, "neil.mclaughlin@wvumedicine.org" <neil.mclaughlin@wvumedicine.org>, Steve Stolipher <stevestolipher@hotmail.com>, Tony Roberts <tonyrobertsrealtor@gmail.com>, Daniel Casto <dancastocpa@gmail.com>, Peter Onoszko <ponoszko@aol.com>, Daryl Hennessy <dhennessy@charlestownwv.us>, Harry Wilkins <Wilkins.HT@gmail.com>

Cc: Nic Diehl <nic@jcda.net>, Jane Jones <janejones@jcda.net>, Lyn Goodwin <lyngoodwin@jcda.net>

Subject: JCDA SPECIAL BOARD MEETING - AUGUST 6

Good Afternoon,

Just wanted to remind you of the JCDA special board meeting this coming Monday, August 6th, at 10 a.m. for the second ordinance reading. The agenda for the meeting is attached, and the ordinance information will be emailed to you as soon as we receive it.

If you are unable to attend the meeting in person, you are welcome to call in. Here's the call-in information:

Telephone Number: 866-516-3949

Pin Number: 6762538#

Please confirm your attendance so that we can ensure that we will have a quorum.

Have a good weekend!

Lyn

Lyn Goodwin

Program Manager

Jefferson County Development Authority

1948 Wiltshire Road, Suite #4

Kearneysville, WV 25430

304-728-3255 | 304-616-2464 (mobile)

lyngoodwin@jcda.net | www.jcda.net



Re: JCDA SPECIAL BOARD MEETING - AUGUST 6

Eric Lewis

Sun 8/5/2018 11:17 PM

To: Julia Yuhasz <JYuhasz@hospiceotp.org>;

Cc: Nic Diehl <nic@jcda.net>; Jane Jones <janejones@jcda.net>;

Thanks Julia. You are a committed board member and I appreciate it. We know it is a big time commitment and we know sometimes life and work get in the way. Don't worry about it!

I will be happy to brief you after.

Best,

Eric

Sent from my iPad

Eric Lewis CPA

> On Aug 5, 2018, at 11:14 PM, Julia Yuhasz <JYuhasz@hospiceotp.org> wrote:

>

> I would very much like to attend the meeting in person, but worry about leaving early at 11:30, due to another meeting at 12 noon with an important partner provider. Unfortunately, it was the only day they were also available and was committed to before the recent public response to Rockwool. If last week's County Commission meeting is any indication of how long public comment could go, I would prefer to call in over disrespecting anyone by leaving early or conveying the appearance that JCDA board members don't regard public concerns.

>

> At minimum I will attend via phone. Please let me know your thoughts otherwise.

>

> Thanks for the additional info on Aug 21 and Sept meetings. All sounds good.

>

> -----Original Message-----

> From: Eric Lewis [mailto:ejlewis@oll-cpas.com]

> Sent: Sunday, August 05, 2018 10:23 PM

> To: Lyn Goodwin <lyngoodwin@jcda.net>

> Cc: Ablake@cityofransonwv.net; Annette Gavin <annette.gavin@jccvb.com>; bmartz@shepherd.edu;

kfoto@frontiernet.net; hgmills@citlink.net; jkruland@raiprops.com; Julia Yuhasz <JYuhasz@hospiceotp.org>;

karantownsend@gmail.com; bolivarth@frontiernet.net; lyletabb@hotmail.com; robertmichaelshepp@gmail.com;

MCHAPMAN@royalvendors.com; neil.mclaughlin@wvumedicine.org; stevestolipher@hotmail.com;

tonyrobertsrealtor@gmail.com; dancastocpa@gmail.com; ponoszek@aol.com; dhennessy@charlestownwv.us; Harry

Wilkins <Wilkins.HT@gmail.com>; Nic Diehl <nic@jcda.net>; Jane Jones <janejones@jcda.net>

> Subject: Re: JCDA SPECIAL BOARD MEETING - AUGUST 6

JCDA Vaughn Index 02-000001

>
> Board Members:
>
> (Please don't "reply all" to this informational email as we are not allowed to create any discussion that is a violation of the open meetings act)
>
> I hope that all of you can make it to the special meeting tomorrow at 10am. Please let me know ASAP if you can't attend.
>
> I am going to move public comment to the beginning of the meeting so we can hear from everyone prior to voting on the 2nd reading of the bond. We are asking that everyone from the public sign up prior to the meeting. I will decide how much time to give each speaker based on how many sit up to speak. Because we never have anyone come to speak to us during public comment I thought a reminder on how it is handled would be valuable: during public comment the public board members are not to reply or engage with the public. This is how the county commission handles public comment and is how we will handle it. It is not a period of discussion or interaction. We need to all listen intently, some may choose to take notes and we will all give the citizens the respect they deserve and a time to make their feelings known.
>
> No board members have ever indicated to me that they had a problem with the information provided in our agendas, but based on a social media post, it seems at least one board member thinks they are not complete. If anyone has requests for agenda info, or suggestions for formatting changes please let me know.
>
> I will be announcing at the meeting that I intend to put a few items on the Aug 21 agenda:
>
> 1) Rockwool update and discussion. (We have discussed this at numerous meetings over past 18+ months but we will be sure to have a separate agenda item).
>
> 2) discussion and possible action on setting a date for an evening "strategic direction public input" meeting in September. The public has never taken any interest in what we are doing but now some seem to believe we are doing a terrible job, so we should hold a meeting to hear them out and interact and possibly explain how economic development works and the various factors involved in luring high tech, data centers, etc. No one came to our strategic planning meeting last year but hopefully interested citizens will come out and give us more guidance as to what they would like to see.
>
> 3) discussion and possible action on adding a specific and separate environmental evaluation for any new business prospects, to be reported to the board, with (possibly) "office space" as the baseline for comparison.
>
> If you have other agenda requests for Aug 21, please let me know.
>
> Best,
>
> Eric

REFERENCE A

JEFFERSON COUNTY DEVELOPMENT AUTHORITY

LEASE REVENUE BONDS, SERIES 2018 A **(WEST VIRGINIA INFRASTRUCTURE FUND)**

BOND ORDINANCE

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JEFFERSON COUNTY DEVELOPMENT AUTHORITY

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A PUBLIC WATERWORKS SYSTEM OF THE JEFFERSON COUNTY DEVELOPMENT AUTHORITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE OF NOT MORE THAN \$7,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE BONDS, SERIES 2018 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

**BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF
THE JEFFERSON COUNTY DEVELOPMENT AUTHORITY:**

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 7, Article 12 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The Jefferson County Development Authority (the "Issuer") is a public agency and public corporation of the State of West Virginia in Jefferson County of said State.

B. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired, constructed and equipped a public waterworks system of the Issuer, at an estimated cost of not more than \$7,330,000, specifically including, but not limited to, a water transmission line, water storage tank and booster station, and all necessary appurtenant facilities, to serve certain tracts of real property totaling approximately 400 acres located north of West Virginia State Route 9 in Bardane, Jefferson County, known as "Jefferson

Orchards,” including, without limitation, the manufacturing facility which Roxul USA, Inc., is constructing thereon (collectively, the "Project") (the Project and any further additions, betterments and improvements thereto financed and constructed by the Issuer are herein called the "System"), in accordance with the plans and specifications prepared for the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition, construction and equipping of the Project through the issuance of its lease revenue bonds to the West Virginia Water Development Authority (the “Authority”), which administers the West Virginia Infrastructure Fund on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Lease Revenue Bonds, Series 2018 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than \$7,000,000 (the “Series 2018 A Bonds”), to permanently finance a portion of the costs of acquisition, construction and equipping of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2018 A Bonds prior to and during acquisition, construction and equipping of the Project and for a period not exceeding 6 months after completion of acquisition, construction and equipping of the Project; engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2018 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition, construction and equipping of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2018 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of acquisition, construction and equipping of the Project is not less than 40 years.

F. It is in the best interests of the Issuer that its Series 2018 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the Council, in form satisfactory to the Issuer and the Authority, to be approved hereby if not previously approved by resolution of the Issuer.

G. There are no outstanding bonds or obligations of the Issuer which will rank on a parity with the Series 2018 A Bonds as to liens, pledge and source of and security for payment.

H. All revenues received by the Issuer under and pursuant to a Lease and Purchase Agreement (the "Lease Agreement"), by and between the Issuer and Jefferson Utilities,

Inc. (the "Company"), whereby the System is leased to the Company shall be pledged to the repayment of the principal of the Series 2018 A Bonds (collectively, the "Lease Revenues"). Pursuant to the Lease Agreement, the Company has agreed to operate and maintain the System at its own expense. All customers which receive potable water service from the System shall be customers of the Company. No other revenues or funds of the Issuer or the Company are pledged to, or available for, payment of the debt service on the Series 2018 A Bonds.

I. The Issuer has complied or, pursuant to the terms of the Lease Agreement, the Company has complied, with all requirements of State law and the Loan Agreement relating to authorization of the acquisition, construction, equipping and operation of the Project and the System and issuance of the Series 2018 A Bonds, or will have so complied prior to issuance of any of the Series 2018 A Bonds, including, among other things, the obtaining of approvals from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2018 A Bonds or such final order will not be subject to appeal.

J. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2018 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 7, Article 12 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2018 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means, singularly, the President and the Executive Director of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

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

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

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

"Bonds" means, collectively, the Series 2018 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer and with the prior consent of the Authority.

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

"Closing Date" means the date upon which there is an exchange of the Series 2018 A Bonds for all or a portion of the proceeds of the Series 2018 A Bonds from the Authority and the Council.

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

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

"Company" means Jefferson Utilities, Incorporated, a West Virginia corporation and public water utility certificated by the Public Service Commission of West Virginia.

"Consulting Engineers" means Thrasher Inc., or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System, or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02D hereof to be a part of the cost of acquisition, construction and equipping of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any successor thereto.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns.

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

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

"Governing Body" means the board of directors of the Issuer or any other governing body of the Issuer that succeeds to the functions of the board of directors as presently constituted.

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

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

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

"Issuer" means the Jefferson County Development Authority, a public agency and public corporation of the State of West Virginia in Jefferson County of said State, and unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Lease Agreement" means the Lease and Purchase Agreement, to be dated as of the date of closing on the Series 2018 A Bonds, by and between the Issuer and the Company, substantially in the form attached hereto as Exhibit A and incorporated herein by reference, with such additions, amendments and modifications as an Authorized Officer of the Issuer may approve.

"Lease Revenues" means all revenues received by the Issuer under and pursuant to the Lease Agreement.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, into between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2018 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"MOU" means the Memorandum of Understanding dated October 17, 2017 by and among Roxul USA, Inc., the Issuer and the Company.

"Net Proceeds" means the face amount of the Series 2018 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

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

"Parity Bonds" or "Additional Parity Bonds" means Additional Parity Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity designated as such for the Series 2018 A Bonds in the Supplemental Resolution.

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

"Qualified Investments" means and includes any investment permitted to be made by the Issuer pursuant to the Act or, to the extent permitted by law, by a municipality, public service district or public corporation of the State pursuant to State Law, specifically including but not limited to Chapter 8, Article 13, Section 22 of the Code of West Virginia and the West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the Code of West Virginia.

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

"Registrar" means the Bond Registrar.

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

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

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 2018 A Bonds" means the Lease Revenue Bonds, Series 2018 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Ordinance.

"Series 2018 A Bonds Construction Trust Fund" means the Series 2018 A Bonds Construction Trust Fund created by Section 5.01 hereof.

"Series 2018 A Bonds Sinking Fund" means the Series 2018 A Bonds Sinking Fund created by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2018 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2018 A Bonds, and not so included, may be included in another Supplemental Resolution.

"System" means the complete public waterworks facilities of the Issuer and shall include the Project and any additions, betterments and improvements thereto hereafter acquired or constructed by the Issuer for the System from any sources whatsoever.

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

Additional terms and phrases are defined in this Ordinance as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the President or the Secretary shall mean that such Bonds, certificate or other document may be executed or attested by an Acting President or Acting Secretary.

ARTICLE II

AUTHORIZATION OF ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT; APPROVAL OF LEASE AGREEMENT

Section 2.01. Authorization of Acquisition, Construction and Equipping of the Project. There is hereby authorized and ordered the acquisition, construction and equipping of the Project, at an estimated cost of not to exceed \$7,330,000, in accordance with the plans and specifications which have been provided by the Company and prepared by Urban, Ltd. The proceeds of the Series 2018 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Council.

The cost of the Project is estimated not to exceed \$7,330,000, of which approximately \$7,000,000 will be obtained from proceeds of the Series 2018 A Bonds, and approximately \$330,000 will be obtained from proceeds of a contribution from the Company.

Section 2.02. Authorization and Approval of Lease Agreement. The Lease Agreement by and between the Issuer and the Company, substantially in the form of Exhibit A, is hereby authorized and approved with such amendments, modifications and changes as shall be approved by an Authorized Officer of the Issuer. The officers of the Issuer are hereby authorized to execute the Lease Agreement.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2018 A Bonds of the Issuer. The Series 2018 A Bonds shall be issued as a single bond, designated “Lease Revenue Bond, Series 2018 A (West Virginia Infrastructure Fund)”, in the principal amount of not more than \$7,000,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2018 A Bonds shall be deposited in or credited to the Series 2018 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2018 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in the Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2018 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America.

Unless otherwise provided by the Supplemental Resolution, the Series 2018 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances attached, representing the aggregate principal amount of the Series 2018 A Bonds, all as provided in the Supplemental Resolution. The Series 2018 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2018 A Bonds shall be executed in the name of the Issuer by the President, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2018 A Bonds shall cease to be such officer of the Issuer before the Series 2018 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any such Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2018 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Series 2018 A Bonds shall be conclusive evidence that such Series 2018 A Bonds has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2018 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Series 2018 A Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2018 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2018 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2018 A Bonds remain outstanding, the Bond Registrar for the Bonds shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2018 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2018 A Bonds or transferring the registered Bonds are exercised, all Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the

cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2018 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate (where applicable) and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2018 A Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Lease Revenues as herein provided. No holder or holders of the Series 2018 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2018 A Bonds or the interest, if any, thereon. The Issuer has no taxing power.

Section 3.08. Bonds Secured by Pledge of Lease Revenues. The payment of the debt service of all Series 2018 A Bonds shall be secured by a first lien on the Lease Revenues. Such Lease Revenues are irrevocably pledged to the payment of the outstanding principal of the Series 2018 A Bonds and to make all other payments provided for in the Bond Legislation. Any and all remaining principal outstanding on the Series 2018 A Bonds on the maturity date thereof, which will be not more than forty (40) years from the date issuance, shall, pursuant to the terms of the Loan Agreement, be considered a grant to the Issuer and such outstanding principal shall be forgiven as of the maturity date.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2018 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2018 A Bonds to the original purchasers upon receipt of the documents set forth below:

(1) If other than the Authority, a list of the names in which the Series 2018 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

(2) A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2018 A Bonds to the original purchasers;

- (3) An executed and certified copy of the Bond Legislation;
- (4) An executed copy of the Loan Agreement;
- (5) A copy of the Lease Agreement; and
- (6) The unqualified approving opinion of bond counsel on the Series 2018 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2018 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2018 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
JEFFERSON COUNTY DEVELOPMENT AUTHORITY
LEASE REVENUE BOND, SERIES 2018 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR- 1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That this ____ day of ____, 2018, the JEFFERSON COUNTY DEVELOPMENT AUTHORITY, a public agency and public corporation of the State of West Virginia in Jefferson County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference.

The Series 2018 A Bonds are originally issued in the form of one bond, registered to the Authority. No payments of principal are due on the Series 2018 A Bonds for at least one year after the Closing Date. The Series 2018 A Bonds mature on _____, 2058 and bear no interest. Commencing _____ 1, 2019, Lease Revenues received by the Issuer shall be paid each month towards the outstanding principal of the Series 2018 A Bonds; provided, however, if the Roxul USA, Inc. Facility ("Roxul") is not operational on _____ 1, 2019, then the payments shall be deferred quarterly until such time as Roxul is operational. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). Pursuant to the terms of the loan agreement by and between the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Issuer dated _____, 2018 (the "Loan Agreement"), any and all remaining principal outstanding on the Series 2018 A Bonds on _____, 2058, shall be considered a grant to the Issuer and forgiven.

This Series 2018 A Bond is issued (i) to pay a portion of the costs of acquisition, construction and equipping of a public waterworks system of the Issuer, specifically including but not limited to, a water transmission line, water storage tank and booster station, and all necessary appurtenant facilities, to serve the tracts of real property totaling approximately 400 acres located north of West Virginia State Route 9 in Bardane, known as "Jefferson Orchards," including, without limitation, the manufacturing facility which Roxul USA, Inc., plans to construct thereon (collectively, the "Project"); and (ii) to pay certain costs of issuance of the Series 2018 A Bonds

(the "Series 2018 A Bonds") and related costs. The Project and any further additions, betterments or improvements thereto financed and constructed by the Issuer are herein called the "System." This Series 2018 A Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 7, Article 12 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2018, and a Supplemental Resolution duly adopted by the Issuer on _____, 2018 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of Additional Parity Bonds under certain conditions, and such Additional Parity Bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Series 2018 A Bonds under the Bond Legislation.

THE ISSUER HAS NO BONDS OR OBLIGATIONS OTHER THAN THIS SERIES 2018 A BOND WHICH IS SECURED BY THE LEASE REVENUES.

This Series 2018 A Bond is payable only from and secured by a pledge of the Lease Revenues (as defined in the Bond Legislation), and from unexpended proceeds of the Series 2018 A Bonds. This Series 2018 A Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same except from said special fund provided from the Lease Revenues and unexpended proceeds of the Series 2018 A Bonds. The Issuer has entered into certain further covenants with the registered owners of the Series 2018 A Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Series 2018 A Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Series 2018 A Bond is transferable, as provided in the Bond Legislation, only upon the books of United Bank, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Series 2018 A Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Series 2018 A Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Series 2018 A Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Series 2018 A Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Series 2018 A Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Series 2018 A Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that all Lease Revenues have been pledged to, and will be set aside into said special fund by the Issuer for, the payment of the principal of this Series 2018 A Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Series 2018 A Bond is issued shall be deemed to be a part of the contract evidenced by this Series 2018 A Bond to the same extent as if written fully herein.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the JEFFERSON COUNTY DEVELOPMENT AUTHORITY has caused this Series 2018 A Bond to be signed by its President, and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Series 2018 A Bond to be dated as of the day and year first written above.

[SEAL]

President

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This bond is one of the Series 2018 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2018.

UNITED BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL \$_____

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto

the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the
books kept for registration of the within Bond of the said Issuer with full power of substitution in
the premises.

Dated: _____, 20____.

In the presence of:

Section 3.11. Sale of Series 2018 A Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2018 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the President is specifically authorized and directed to execute the Loan Agreement and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; LEASE REVENUES AND APPLICATION THEREOF

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

- (1) Revenue Fund; and
- (2) Series 2018 A Bonds Construction Trust Fund.

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

- (1) Series 2018 A Bonds Sinking Fund

Section 5.03. Lease Revenues; Flow of Funds. A. All Lease Revenues received each month shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All Lease Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall, on the first day of each month, transfer from the Revenue Fund and remit to the Commission all Lease Revenues on deposit therein so long as any principal of the Series 2018 A Bonds remains outstanding.

(2) After all the foregoing provisions for use of monies in the Revenue Fund have been fully complied with, any monies remaining therein and not permitted to be retained therein may be used to prepay principal of the Series 2018 A Bonds, for any payment required under this Bond Legislation or for any lawful purpose of the System.

Monies in the Series 2018 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2018 A Bonds as the same shall become due.

All investment earnings on monies in the Series 2018 A Bonds Sinking Fund shall be applied to the payment of principal of the Series 2018 A Bonds, not less than once each year, by the Commission.

The Issuer shall not be required to make any further payments into the Series 2018 A Bonds Sinking Fund when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2018 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2018 A Bonds Sinking Fund and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Monies in the Series 2018 A Bonds Sinking Fund shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2018 A Bonds Sinking Fund shall be used solely and only for, and is hereby pledged for, the purpose of paying the outstanding principal on the Series 2018 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the first business day of each month) deposit, or shall cause to be deposited by the Company, with the Commission all Lease Revenues from the prior month and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

C. The Issuer shall complete, or shall cause the Company to complete, the "Monthly Payment Form," a form of which is attached to the Loan Agreement.

D. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the

Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require such additional sums as shall be necessary to pay their respective charges, fees and expenses then due.

E. The monies in excess of the maximum amounts insured by FDIC in any of the funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

F. All remittances made by the Issuer to the Commission or the Depository Bank shall clearly identify the fund or account into which each amount is to be deposited.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of any or all of the Series 2018 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2018 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2018 A Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof and until so expended, are hereby pledged as additional security for the Series 2018 A Bonds.

B. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2018 A Bonds shall be used as directed in writing by the Council.

Section 6.02. Disbursements from the Bond Construction Trust Fund. The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments for costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2018 A Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer, stating that:

- (i) None of the items for which the payment is proposed to be made has been requested from another funding source;
- (ii) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a cost of the Project;
- (iii) Each of such costs has been otherwise properly incurred; and

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

Pending such application, monies in the Series 2018 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2018 A Bonds within 3 years of the date of issuance of the Council's bonds, if any, the proceeds of which were used to make the loan to the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2018 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2018 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2018 A Bonds is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2018 A Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation.

Section 7.03. Bonds Secured by Pledge of Lease Revenues. The payment of the debt service of the Series 2018 A Bonds shall be secured by a first lien on the Lease Revenues. The Lease Revenues are hereby irrevocably pledged to the payment of the outstanding principal of the Series 2018 A Bonds and to make all other payments provided for in the Bond Legislation in the manner provided herein, as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. Pursuant to the Memorandum of Understanding by and among Roxul USA, Inc, the Issuer, and the Company (the "MOU") and the Lease Agreement the rates and charges for the System shall be the same tariff as all water customers of the Company as may be in effect from time to time.

Section 7.05. Sale of the System. Except as provided in the Lease Agreement, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof. Additionally, so long as the Series 2018 A Bonds are outstanding and except as provided in the Lease Agreement, as otherwise required by law or with the written consent of the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall

be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds of any such sale, lease, mortgage or other disposition of the System shall, with respect to the Series 2018 A Bonds, immediately be remitted to the Commission for deposit in the Series 2018 A Bonds Sinking Fund, and the Issuer shall direct the Commission to apply such proceeds to the payment of the outstanding principal of the Series 2018 A Bonds. Any balance remaining after payment of the outstanding principal of the Series 2018 A Bonds shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of Lease Revenues.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$100,000, the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds derived from any such sale shall be deposited in the Series 2018 A Bonds Sinking Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$100,000 but not in excess of \$250,000, the Issuer shall first, in writing, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and the Governing Body may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property. The proceeds derived from any such sale shall be deposited in the Series 2018 A Bonds Sinking Fund. Payment of such proceeds into the Series 2018 A Bonds Sinking Fund shall not reduce the amounts required to be paid into such funds by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$250,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of all Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Lease Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the Lease Revenues without the prior written consent of the Authority.

The Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over, on a parity with, or junior to the lien of the Series 2018 A Bonds upon the Lease Revenues, or upon the System or any part thereof.

Section 7.07. Additional Parity Bonds. No Additional Parity Bonds payable from the Lease Revenues, shall be issued after the issuance of the Series 2018 A Bonds, except with the prior written consent of the Authority under the conditions, and in the manner, permitted by the Authority. All Additional Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2018 A Bonds.

No such Additional Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition, construction or equipping of extensions, additions, betterments or improvements to the System or refunding the Bonds issued pursuant hereto, or both such purposes.

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

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer and the Company shall permit the Authority and the Council or their agents and representatives, to inspect all records pertaining to the Project at all reasonable times following completion of acquisition, construction and equipping of the Project.

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

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

may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file, or shall cause the Company to file, with the Council and the Authority, or any other original purchaser of the Series 2018 A Bonds, an annual report containing the following:

- (A) A statement of Lease Revenues.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.
- (C) The amount of any Bonds, notes or other obligations payable from the revenues of the System outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with 2CFR 200 Subpart F, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2018 A Bonds and shall submit the report to the Authority and the Council, or any other original purchaser of the Series 2018 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the real property necessary for 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 Issuer. All real estate and interests in real estate and all personal property required for the System heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to enter and inspect the Project at all reasonable times. Prior to, during and after completion of acquisition, construction and equipping of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System as may be reasonably necessary to accomplish all of their powers and rights with respect to the System pursuant to the Act.

Section 7.09. [RESERVED]

Section 7.10. Operation and Maintenance of the System. Pursuant to the MOU and the Lease Agreement the Company shall operate and maintain the System.

Section 7.11. Engineering Services and Operating Personnel. The Issuer shall obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement,

stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

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

The Company shall, pursuant to the terms of the MOU and the Lease Agreement, be responsible for providing employees to operate and maintain the System who are appropriately licensed and/or certified.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System. To the extent operation and maintenance is performed by the Company, the Issuer shall enforce the Lease Agreement to fulfill compliance with this covenant.

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

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

reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. The Issuer will not, nor shall the Company be permitted, to render or cause to be rendered any free services of any nature by the System; and in the event the Issuer or the Company, or any department, agency, instrumentality, officer or employee of either party shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee.

Section 7.15. Insurance and Construction Bonds. A. Pursuant to the Lease Agreement the Company shall maintain insurance on the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Revenue Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Revenue Fund. Each contractor and subcontractor will be required to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Company, the Authority, the Council, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the Company, the Council, the contractors and subcontractors, as their interests may appear.

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

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer and/or Company, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, to be procured, to the extent available at reasonable cost; provided, however, if the Project is located in a community which has been notified as having special flood or mudslide prone areas, flood insurance must be obtained.

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

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

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

Section 7.16. [RESERVED].

Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. The Issuer shall complete acquisition, construction and equipping of the Project as promptly as possible.

Pursuant to the Lease Agreement, the Company has agreed to operate and maintain the System at its own expense.

Pursuant to the MOU, the Company has obtained, and either will or has transferred to the Issuer, all permits required by state and federal laws for the acquisition and construction of the Project, and all orders and approvals required by State law necessary for the acquisition and construction of the Project. The Company is, pursuant to the Lease Agreement, responsible to obtain all permits and approvals required by state or federal law for the operation of the System.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply, and shall cause the Company to perform, satisfy and comply, with all the terms and conditions of the Loan Agreement and the Act and the Issuer shall by Supplemental Resolution approve such additional terms and conditions set forth in the Loan Agreement. The Issuer shall also comply, and shall cause the Company to comply, with all applicable laws, rules and regulations issued by the Authority, the Council, or other state, federal or local bodies in regard to the acquisition and construction of the Project. The Issuer shall provide the Council with copies of all documents submitted to the Authority.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2018 A Bonds, a statutory mortgage lien upon the System is granted and

created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2018 A Bonds.

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

Section 7.21. Contracts; Change Orders and Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2018 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition, construction and equipping of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2018 A Bonds held in "contingency" as set forth in the Schedule B attached to the Certificate of Consulting Engineer. Written approval of the Council shall be obtained before expending any proceeds of the Series 2018 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the Council and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS; USE OF PROCEEDS

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

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of

the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2018 A Bonds are Outstanding.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2018 A Bonds as a condition to issuance of the Series 2018 A Bonds. The Issuer shall annually furnish to the Authority, information with respect to the Issuer's use of the proceeds of the Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2018 A Bonds:

- (1) If default occurs in the due and punctual payment of the Lease Revenues to the Commission; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2018 A Bonds set forth in this Bond Legislation, any Supplemental Resolution or in the Series 2018 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or
- (3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Series 2018 A Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid Lease Rentals; (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the

making and collection of sufficient rates or charges for services rendered by the System; (iii) bring suit upon the Series 2018 A Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2018 A Bond; and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2018 A Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2018 A Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the collection of Lease Revenues and the payment of Lease Revenues to the Commission and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the Lease Revenues or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to collect Lease Revenues and apply Lease Revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

Any receiver appointed as provided herein shall, subject to, and in conformance with, the rights of the Issuer under the Lease Agreement, hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. With the exception of the transaction effectuated by the Lease Agreement, such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited

to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holder of the Series 2018 A Bonds, the entire principal of the Series 2018 A Bonds in the manner stipulated therein and in this Bond Legislation, then the pledge of Lease Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owner of the Series 2018 A Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2018 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2018 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2018 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2018 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the Lease Revenues herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest, if any, on the Series 2018 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2018 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent

jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2018 A Bonds.

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

Section 11.05. Notices. All notices to be sent to the Issuer, the Company, the Authority or the Council shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid, addressed as follows:

ISSUER:

Jefferson County Development Authority
1948 Wiltshire Road, Suite 4
Kearneysville, West Virginia 25430
Attention: Executive Director

COMPANY:

Jefferson Utilities, Inc.
270 Industrial Boulevard
Kearneysville, West Virginia 25430
Attention: President

AUTHORITY:

Water Development Authority
1009 Bullitt Street
Charleston, West Virginia
Attention: Director

COUNCIL:

West Virginia Infrastructure Council
1009 Bullitt Street
Charleston, West Virginia
Attention: Executive Director

All notices to be sent to the Issuer hereunder shall also be sent to the Company, and all notices to be sent to the Council hereunder, shall also be sent to the Authority.

Section 11.06. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided, that this section shall not be applicable to the Loan Agreement, the MOU or the Lease Agreement.

Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the enactment of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in

full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the President, the Secretary and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the *Spirit of Jefferson/Farmer's Advocate* a newspaper published and of general circulation in Jefferson County, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2018 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

[Remainder of Page Intentionally Blank]

Section 11.09. Effective Date. This Ordinance shall take effect immediately following the public hearing hereon and the final reading and enactment hereof.

Passed on First Reading: - July 17, 2018

Passed on Second Reading: - August 6, 2018

Passed on Final Reading
Following Public
Hearing: - September 18, 2018

JEFFERSON COUNTY DEVELOPMENT AUTHORITY

President

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Board of the
JEFFERSON COUNTY DEVELOPMENT AUTHORITY on the 18th day of September, 2018.

Dated: September 18, 2018.

[SEAL]

Secretary

450600.00071

EXHIBIT A

Form of Lease and Purchase Agreement

LEASE AND PURCHASE AGREEMENT

THIS LEASE AND PURCHASE AGREEMENT (the "Agreement") entered into as of the _____ day of _____ 2018, by and between JEFFERSON COUNTY DEVELOPMENT AUTHORITY, hereafter referred to as "LESSOR" or "JCDA" and JEFFERSON UTILITIES, INC., hereafter referred to as "LESSEE" or "JUI," each a "Party," collectively the "Parties".

W I T N E S S E T H

WHEREAS, the LESSOR is a public corporation of the State of West Virginia created by The County Commission of Jefferson County under Chapter 7, Article 12, of the West Virginia Code for the express purpose, among others, of promoting, developing and advancing business prosperity and economic welfare of Jefferson County, West Virginia, its citizens and its industrial complex;

WHEREAS, the LESSEE is a privately-held corporation certificated by the Public Service Commission of West Virginia as a public utility to provide potable water service to approximately 3,000 customers in areas of Jefferson County, West Virginia, through the LESSEE's potable water treatment, storage, transmission and distribution system;

WHEREAS, there is an approximately 400-acre tract of real property located in Jefferson County, West Virginia, in the vicinity of West Virginia State Route 9 that is commonly known as Jefferson Orchards (the "Jefferson Orchards Site");

WHEREAS, Roxul USA, Inc. ("Roxul") plans to acquire, construct, own and operate a manufacturing facility (the "Facility") on a parcel of real property comprising approximately 130 acres which is a part of the Jefferson Orchards Site;

WHEREAS, in order to provide potable water service to the Jefferson Orchards Site, the LESSOR and LESSEE have agreed to cooperate in the financing and design, acquisition, construction and equipping of a Facilities that will allow LESSEE to provide potable water service to the Jefferson Orchards Site (collectively, the "Project");

WHEREAS, a portion of the costs of design, acquisition, construction and equipping of the Project shall be financed from the proceeds of the LESSOR's Lease Revenue Bonds, Series 2018 A (West Virginia Infrastructure fund) (the "Bonds");

WHEREAS, the obligations of the Parties and Roxul related to the Project and the Bonds are memorialized in a Memorandum of Understanding ("MOU") entered in to among the Parties and Roxul, and hereby incorporated herein by reference;

WHEREAS, the Parties previously entered into a lease agreement dated _____, 2018, wherein JUI leased to JCDA its interest in certain tracts or parcels of real property necessary for the extension of water service to Roxul at the Facility, and hereby incorporated herein by reference;

WHEREAS, the repayment of the principal of the Bonds will be secured by payments made by JUI to JCDA pursuant to the terms of this Agreement;

WHEREAS, in the event that there is a conflict between the terms of the MOU and this Agreement, the terms of the MOU shall control the agreement between the Parties.

NOW, THEREFORE, for and in consideration of the rentals herein reserved and agreed to be paid by the LESSEE, LESSOR does demise and let unto the LESSEE, and LESSEE takes and accepts, the following demised premises, which consist of certain tracts or parcels of real property situate in Jefferson County, West Virginia that include a Facilities comprised of approximately 18,050 linear feet of 16-inch water line, a 795,000 gallon water storage tank, a 1,200 gallon per minute triplex booster station, an altitude valve vault (collectively, the "Facilities") which are necessary for the Project (hereafter such certain tracts or parcels of real property are collectively referred to as "Demised Premises" as such Demised Premises are further shown and described on Exhibit A).

1. TERM OF AGREEMENT; CONVEYANCE UPON TERMINATION OF AGREEMENT. This Agreement shall expire on the earlier of: (i) a period of forty (40) years, beginning upon the date a registered professional engineer issues a certificate of substantial completion of the design, acquisition, construction and equipping of the Project; or (ii) the payment in full of the principal on the Bonds. In addition, in the event the closing on the Bonds does not occur by June 1, 2019, this Agreement shall terminate. Upon the expiration or termination of this Agreement, the LESSOR shall convey the entirety of the Demised Premises to the LESSEE for the sum of \$1.00. Upon conveyance of the Demised Premises from the LESSOR to the LESSEE, the obligation to pay the Use Fee (defined below) shall terminate.

2. RENTALS. LESSEE covenants and agrees to pay a monthly rental fee equal to \$2.88 per 1,000 gallons of water sold in the month immediately prior to all customers served by the LESSEE on the Jefferson Orchards Site (the "Use Fee"). LESSEE shall have the right to provide potable water service to other customers from the Facilities that are not located on the Jefferson Orchards Site, provided, however, that in providing such service to any additional customer(s) from the Facilities, LESSEE agrees to maintain the capacity to deliver not less than 500,000 gallons per day to the Jefferson Orchards Site.

3. USE OF PREMISES; RIGHT TO SUBLEASE. LESSEE shall have the exclusive right to: (i) use and occupy the Demised Premises for the purposes of providing potable water service to the public; and (ii) sublease the Demised Premises to the LESSOR as part of the Project pursuant to the terms of this Agreement.

4. OPERATION, MAINTENANCE AND REPAIR. Throughout the LESSEE's possession of the Demised Premises, the LESSEE agrees to operate, maintain, repair, and replace (i) the Facilities, and (ii) all water transmission, distribution, pumping, storage, treatment and other associated facilities added to the Facilities.

5. OWNERSHIP AND POSSESSION. LESSOR covenants that it is lawfully seized of the Demised Premises; it has full right and power to enter into the lease described in this Agreement for the term provided and upon all of the conditions herein contained; that it will deliver full and complete possession of the Demised Premises upon commencement of the term of the lease in this Agreement; and, that upon LESSEE paying the said rentals, LESSEE shall and may peaceably and quietly have, hold, and enjoy the Demised Premises for the said terms and for the uses and purposes leased.

6. TAXES AND ASSESSMENTS. LESSOR shall pay when due all taxes and assessments upon the Demised Premises, and upon any improvements thereon, which are assessed during the term of this Agreement. LESSEE shall pay, or shall cause JCDA to pay pursuant to the terms of this Agreement, when due all taxes and assessments upon the personal property of the Project situated upon the Demised Premises.

7. INSURANCE - LIABILITY. LESSEE shall maintain insurance on the Facilities and the Demised Premises. No later than the commencement of the term of the lease in the Agreement, LESSEE shall secure and pay all premiums for, keep, and maintain in force and effect: (a) property casualty insurance with a limit equal to the depreciated value of the Demised Premises; (b) commercial general liability insurance with a minimum limit of \$1,000,000; (c) automobile coverage with a \$1,000,000 liability limit and at least \$1,000,000 in both uninsured and underinsured motorist coverage; (d) boiler and machinery coverage, if applicable; and (e) workers compensation insurance. LESSEE shall further list LESSOR as an additional insured on all applicable insurance policies and provide a copy of the Declarations Page of such policies to LESSOR prior to commencement of the lease term.

8. WAIVER. No waiver of any default of LESSOR or LESSEE hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by LESSOR or LESSEE shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

9. HEADINGS. The headings used in this Agreement are for convenience of the Parties only and shall not be considered in interpreting the meaning of any provision of the Agreement.

10. SUCCESSORS. The provisions of the Agreement shall extend to and be binding upon LESSOR and LESSEE and their respective legal representatives, successors and assigns.

11. CONSENT. LESSOR and LESSEE shall not unreasonably withhold or delay their consent with respect to any matter for which consent is required or desirable under the Agreement.

12. COMPLIANCE WITH LAW. Each Party shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to the each Party's use of the Demised Premises.

13. MISCELLANEOUS. The Agreement shall be construed and enforced pursuant to the laws of the State of West Virginia. The Agreement constitutes the entire agreement and understanding between the Parties. No alteration, amendment or modification of the Agreement may be made except by written agreement signed by the Parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF the Parties have signed this document on the date first written above:

LESSOR:

JEFFERSON COUNTY DEVELOPMENT AUTHORITY

Date

LESSEE:

JEFFERSON UTILITIES, INC.

Date

STATE OF WEST VIRGINIA
COUNTY OF JEFFERSON, to-wit;

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____, whose name is signed to the writing hereto annexed, bearing date the ____ day of _____ 2018, has this day acknowledged the same before me in my said County.

Given under my hand this ____ day of _____ 2018.

My commission expires _____.

Notary Public

STATE OF WEST VIRGINIA
COUNTY OF JEFFERSON, to-wit;

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that B. Lee Snyder, President of Jefferson Utilities, Inc., whose name is signed to the writing hereto annexed, bearing date the ____ day of _____ 2018, has this day acknowledged the same before me in my said County.

Given under my hand this ____ day of _____ 2018.

My commission expires _____.

Notary Public