

COMPREHENSIVE AGREEMENT

Between

WESTERN VIRGINIA WATER AUTHORITY,

and

FRANKLIN COUNTY, VIRGINIA

Dated as of November 5, 2009

COMPREHENSIVE AGREEMENT

THIS COMPREHENSIVE AGREEMENT, dated as of November 5, 2009 (the Agreement), is made among **FRANKLIN COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (“Franklin County”) and the **WESTERN VIRGINIA WATER AUTHORITY** (the “Authority”), a public body politic and corporate of the Commonwealth of Virginia,

WITNESSETH:

WHEREAS, the Authority has, through various initiatives, become the owner or operator of a substantial portion of the water and sewer utilities in the U.S. Route 220 Corridor and in the Westlake Area of Franklin County; Virginia; and

WHEREAS, the activities of the Authority in Franklin County have been welcomed and encouraged by the Board of Supervisors as well as the citizens of Franklin County; and

WHEREAS, the Board of Directors of the Authority has, by formal resolution adopted July 16, 2009, invited Franklin County to be a member of the Authority under Virginia Code §15.2-511; and

WHEREAS, the Virginia Water and Waste Authorities Act, Title 15.2, Chapter 51, §§ 15.2-5100, et. seq., Code of Virginia (the “Act”), provides full authority for Franklin County to join the Authority upon the adoption of concurrent resolutions of the Authority, Franklin County and the City of Roanoke and Roanoke County, Virginia, which are currently members of the Authority, so that the Authority would become responsible for the public supply, treatment, distribution and transmission of water and the collection and treatment of wastewater in Franklin County;

WHEREAS, Franklin County has determined to join the Authority and the Authority has agreed that its joinder be guided by the following principles:

1. The Board of Directors of the Authority shall continue to consist of seven (7) members, three (3) of which are appointed by the City Council of the City of Roanoke and three (3) of which are appointed by the Board of Supervisors of Roanoke County, Virginia. The Board of Supervisors of Franklin County will appoint one (1) member of the Board of Directors of the Authority, who will not be a member of the staff nor an elected official of Franklin County.

2. The Authority's policies are hereby implemented for service and operations in Franklin County, including its Design and Construction Standards, General Business & Development Rules and Regulations, Wastewater Rules & Regulations, Fats, Oils and Grease Policy, while the Franklin County Rates will remain in effect until equalized. If Franklin County determines to participate in the construction of a line extension, it will be treated like any other developer, consistent with the policies in effect between the Authority and Roanoke County.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, and agreements contained herein, Franklin County and the Authority agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 Definitions

The following words and terms have the following meanings unless the context otherwise requires;

“Authority” means the Western Virginia Water Authority.

“Franklin County” means the Franklin County, Virginia.

“First Water Line Extension” means that extension of the Authority’s 12” water transmission line from the entrance of Sun Crest Heights Subdivision on Virginia State Highway 220 and then south along Virginia State Highway 220 across the Roanoke-Franklin County line to the Franklin County area of Wirtz Plaza in accordance with the terms of the First Water Line Extension Agreement.

“First Water Line Extension Agreement” means that agreement dated November 16, 2007 between Franklin County, Roanoke County and the Authority, providing for the First Water Line Extension, with financial support from both Franklin and Roanoke Counties of the bond issued by the Authority for the financing of the same. A copy of the First Water Line Extension Agreement is attached to this Comprehensive Agreement Item A in the Appendix of Prior Agreements.

“Future Extensions” means extensions from the System as approved by the Board of Supervisors of the County in accordance with the provisions of Section 6.3.

“Phase I Water System” means that public water transmission and distribution system extending along State Route 122 from the Franklin-Bedford County line at Halesford Bridge to

the Westlake Town Center in Franklin County, which system was transferred to the Authority pursuant to the Water System Transfer Agreement.

“Phase II Water System” means that public water transmission and distribution system to be extended by the Authority from the Phase I Water System along Virginia State Route 616 (Scruggs Road), in accordance with the terms and conditions of the Water System Transfer Agreement.

“Second Water Line Extension” means that possible second extension of the Authority’s First Water Line Extension contemplated to be built beyond Wirtz Plaza to and through the Town of Rocky Mount, in accordance with the terms of the Second Water Line Extension Agreement which is currently under negotiation.

“Second Water Line Extension Agreement” means that agreement currently being negotiated among Franklin County, the Authority and the Town of Rocky Mount for a possible Second Water Line Extension, anticipated to provide for financial support from both Franklin County and the Town of Rocky Mount. A copy of the current working draft of the Second Water Line Extension Agreement is attached to this Comprehensive Agreement Item B in the Appendix of Prior Agreements.

“Service Area” means those portions of Franklin County that have been approved by Franklin County for development through its normal local land use planning process, excluding the Towns of Rocky Mount and Boones Mill, that area currently or conveniently served by the Ferrum Water and Sewerage Authority, the small water and sewer system at the Commerce Center, the water system at Waid Park and those areas designated in certificates of necessity and convenience issued by the State Corporation Commission which are in effect from time to time for public service corporations. Future Extensions to the System may only be constructed after

approval by the Board of Supervisors in accordance with the requirements of Section 6.3 of this Agreement.

“System” means the public water and sewer systems in Franklin County as defined in Section 2.1 excluding the Towns of Rocky Mount and Boones Mill, that area currently or conveniently served by the Ferrum Water and Sewerage Authority, those areas designated in certificates of necessity and convenience issued by the State Corporation Commission which are in effect from time to time for public service corporations, the small water and sewer system at the Commerce Center and the water system at Waid Park.

“Rights and Privileges” means all of the licenses, possessory interests, unwritten easements and other rights and privileges, including judgments, possessed, owned or enjoyed by Franklin County as of the date of this Comprehensive Agreement in the current operation of the System including, but not limited to, easement rights where parts of the System are on property owned in fee by any of Franklin County or where no formal, written easement has been conveyed.

“Water System Service Contract” means that service contract dated as of May 1, 2009 between the Authority and Franklin County pursuant to which the Authority has undertaken to provide water service to the businesses and residents of Franklin County generally along Virginia State Route 122 from the Halesford Bridge to the Westlake Commercial Area, and then to be extended by the Authority along Virginia State Route 616, and pursuant to which Franklin County has agreed to pay the Authority Water Service Payment Amounts as defined therein. A copy of the Water System Service Contract is attached to this Comprehensive Agreement as Item C in the Appendix of Prior Agreements.

“Water System Transfer Agreement” means that agreement dated as of May 1, 2009 between the Authority and Franklin County and relating to the sale and transfer to the Authority by Franklin County of the Phase I Water System, and the terms of the development by the Authority of the Phase II Water System, which Water System Transfer Agreement is recorded in the Clerk’s Office of the Circuit Court of Franklin County, Virginia in Deed Book 960, page 240. A copy of the Water System Transfer Agreement is attached to this Comprehensive Agreement Item D in the Appendix of Prior Agreements.

“Westlake Bond Issue” means Franklin County’s \$2,905,000 Wastewater System Revenue Bond, Series 2009, issued June 17, 2009 pursuant to a Local Bond Sale Agreement and a Financing Agreement between Franklin County and the Virginia Resources Authority, which provided permanent financing for the acquisition of the Westlake Wastewater System by Franklin County.

“Westlake Village Center Overlay District” means that area designated the Westlake Village Center Overlay District in Article IV, Division 3 of the Franklin County Code, Section 25-491, *et seq.*, as amended from time to time.

“Westlake Wastewater System” means that 57.54 acre parcel known as tract 2 of the Saunders Estate, Franklin County tax identification number 30-1.1 (“Tract 2”) all gravity and force main sewer lines, all equipment and outbuildings, and the wastewater treatment plant located thereon and consisting of a 50,000 gallon per day treatment unit and 50,000 gallon per day drainfield capacity; all gravity sewer lines, force mains and the lift station included as part of the Wastewater System and appurtenant structures and equipment, and all related easements, rights and privileges.

“Westlake Wastewater System Operating Agreement” means that agreement dated December 15, 2008 between the Authority and Franklin County pursuant to which the Authority has undertaken to operate Franklin County’s Westlake Wastewater System and Franklin County has undertaken to provide the financing for the acquisition thereof. A copy of the Westlake Wastewater System Operating Agreement is attached to this Comprehensive Agreement Item E in the Appendix of Prior Agreements.

“Westlake Support Agreement” means that agreement dated as of December 15, 2008, by and among Franklin County, the Authority, SunTrust Bank and the Virginia Resources Authority, pursuant to which Franklin County has agreed to provide the Virginia Resources Authority its moral obligation to provide amounts needed to pay the costs of operating and maintaining the Westlake Wastewater System and to satisfy the debt service on the Westlake Bond Issue. A copy of the Westlake Support Agreement is attached to this Comprehensive Agreement Item F in the Appendix of Prior Agreements.

ARTICLE II
PURCHASE AND SALE OF SYSTEM

Section 2.1. Purchase and Sale of System

Franklin County hereby conveys to the Authority (i) any easements or any other interests in land owned by Franklin County for installation and location of any portion of the System or otherwise used by Franklin County in operating and maintaining the System, (ii) the Rights and Privileges, (iii) all federal, state and local governmental licenses, permits, and other authorizations and approvals (to the extent that they are transferable) held by Franklin County which are necessary for or used in the operation of the System, including any for which applications are currently pending, (iv) the rights of Franklin County under all contracts and leases relating to the System (to the extent that they are transferable), (v) any and all personal property and cash, securities, software, inventories, intangible assets, and accounts receivable relating to the System, including amounts on deposit in Franklin County' respective water and waste water enterprise funds, (vi) all grant funds received or to be received in the future, including the STAGG Grant, or the proceeds thereof if the such Grant cannot be transferred, currently being made available to Franklin County for the purpose of constructing the Phase II Water System (vii) the non-exclusive right to apply for withdrawal of water from Smith Mountain Lake. Such assets, rights, privileges and property are referred to collectively in this Comprehensive Agreement as the "System." Not included in the System are the Town of Rocky Mount water and sewer systems, the Town of Boones Mill water and sewer systems, the Ferrum Water and Sewerage Authority water and sewer systems, the small water and sewer system at the

Commerce Center and the water system at Waid Park, and all related property, rights and privileges, licenses and permits.

Section 2.2 Liabilities; Existing Support and Service Agreements

(a) At the Closing, the Authority will not assume any current liabilities of Franklin County. By way of illustration and not to be considered an exhaustive listing, the Authority will not assume (i) any direct obligation to repay the Westlake Bond Issue, (ii) any liabilities with respect to (a) income and franchise taxes or (b) violations of federal, state or local law, (iii) breaches of contract which occurred before Closing, (iv) matters which do not relate to the System, or (v) any long term debt incurred in connection with the System.

(b) Franklin County and the Authority hereby ratify and confirm their respective obligations to each other under the First Water Line Extension Agreement, the Second Water Line Extension Agreement, the Water System Service Contract, the Water System Transfer Agreement, the Westlake Wastewater System Operating Agreement and the Westlake Support Agreement and agree that except as explicitly revised in this Comprehensive Agreement, those agreements shall remain in full force and effect, binding on the Authority and Franklin County and that each will comply with the terms thereof.

(c) Franklin County and the Authority recognize that the provision in Section 2. of the First Water Line Extension Agreement, that the Authority retain 25% of the Rate Differential and pay Franklin County 75% of the Rate Differential, could be phased out if the rates are equalized. The Authority will continue to pay Franklin County one-half (1/2) of the Availability Fees received from customers connecting to the Water Line Extension in Franklin County as provided in Section 3. of the First Water Line Extension Agreement. Franklin County agrees to

convey the First Water Line Extension to the Authority when the construction is complete and all obligations of the State and Tribal Grant (STAG) Program have been satisfied.

(d) Franklin County and the Authority recognize that each have pledged the revenues of the Westlake Wastewater System and the revenues of the Phase I and Phase II Water Systems to the holders of the respective debt obligations of each for the financing of the acquisition of the Westlake Wastewater System and the Phase I Water System and the construction of the Phase II Water System, and each covenants to take no action to undermine, retract or in any way rescind or interfere with such pledge, and further that the revenues of the Authority derived from its other water and sewer systems in the City of Roanoke and Roanoke County are not pledged to such debt obligations and that neither will take any action to cause or allow such revenues to be so pledged.

(e) Franklin County and the Authority agree that the purpose of maintaining the Availability Fee Reserve Fund as set out in Section 5. of the Westlake Wastewater System Operating Agreement will remain for the provision of an additional 100,000 gallons per day capacity but is modified to include the acquisition, construction or expansion of another wastewater treatment plant and/or the construction of a distribution line to an existing wastewater treatment plant; provided that nothing in this section shall permit the Authority to provide retail sewer service outside the Westlake Village Center Overlay District.

Section 2.3 Collection of Accounts Receivable

Franklin County agrees that the Authority has the right to receive all payments for services furnished by the System collected on or after the date of this Agreement including all payments for services for Franklin County' prior billings, and such amounts will be paid promptly to the Authority. The Authority and Franklin County agree that failure on the part of a

customer to pay Franklin County for water or sewer service prior to such date will constitute a failure to pay the Authority for such service and will result in cut-off of service in accordance with Franklin County's current regulations and practices and the requirements of Virginia Code Section 15.2-5138.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF FRANKLIN COUNTY

Franklin County represents and warrants to the Authority the following as of the date of this Agreement except as otherwise provided:

Section 3.1 Authority Relative to this Agreement

Franklin County has the power and authority to execute and deliver this Agreement, to sell and convey the System to the Authority, to carry out its duties and obligations under this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by Franklin County and the consummation by Franklin County of the transactions contemplated hereby have been duly authorized by Franklin County's Board of Supervisors. No other proceedings on the part of Franklin County are necessary to authorize this Agreement and the transactions contemplated herein.

Section 3.2 Non-Contravention

The execution and delivery by Franklin County of this Agreement does not, and the consummation of the transactions contemplated hereby will not, (i) violate or constitute a default under the terms, conditions or provisions of any note, bond, mortgage, lien, lease, agreement, license, indenture, instrument, or other instrument or obligation to which Franklin County is a party or by which Franklin County or the System is bound, or (ii) violate any order, writ, injunction, arbitration award, judgment, decree, statute, rule or regulation applicable to Franklin County or the System.

Section 3.3 No Litigation

There are no actions, suits, claims, investigations or proceedings (legal, administrative or arbitrative) pending, or to the best of Franklin County's knowledge, threatened, whether at law or in equity and whether civil or criminal in nature, before any court, arbitrator, or any governmental department, commission, agency or instrumentality which would have a material adverse affect upon: (i) any license, grant, assignment, franchise, right-of-way, easement, or right reasonably necessary for the ownership and operation of the System; or (ii) the ability of Franklin County to perform its obligations under this Agreement. Furthermore, there are no existing judgments, orders, or decrees of any such court, arbitrator, governmental department, commission, agency or other instrumentality which have or would have a material adverse effect as described in the preceding sentence.

Section 3.4 Consents and Approvals

Other than as contemplated herein, no notice, consent, approval, waiver or other action of any kind is required to be obtained by Franklin County by virtue of the execution hereof by Franklin County or in connection with the consummation of any of the transactions contemplated herein.

Section 3.5 Licenses and Permits; Compliance with Laws

Franklin County has obtained and holds all licenses, certificates, permits, franchises, approvals and rights from appropriate federal, state or other public authorities required to own and operate the System and to conduct its business as such business is now being conducted and for the services it provides (the "Permits"). Franklin County agree to cooperate with the Authority in transferring all the Permits necessary for the operation of the System to the Authority.

Section 3.6 Title to Real Property

(a) No fee interest in real estate is to be conveyed as of the date of this Agreement as the Authority owns certain real estate and the Westlake Wastewater System Operating Agreement contemplates a transfer of the Westlake Wastewater System after certain requirements in the Westlake Wastewater Operating Agreement have been fulfilled.

(b) Franklin County will, as a part of the transfer of the System to the Authority, convey to the Authority its rights to use all water and sanitary sewer easements of record used in connection with the System, including easements over property owned by Franklin County containing a water or sewer utility but over which no formal easement has been placed.

Section 3.7 No Violations of Law

To the best of Franklin County's knowledge, its participation in this Agreement does not cause a violation of any federal, state or local law, statute, rule, regulation or ordinance related to or in any way connected with matters contained in this Agreement.

Section 3.8 All Assets

Franklin County represents and warrants that it has conveyed to the Authority all of the assets of the System owned by Franklin County which are currently used for the operation and maintenance of the System, except as otherwise specifically agreed to by the parties.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY

The Authority represents and warrants to Franklin County the following as of the date of this Agreement, except as otherwise provided:

Section 4.1 Authority Relative to this Agreement

The Authority has the power and authority to execute and deliver this Agreement, to carry out its duties and obligations under this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Authority and the consummation by the Authority of the transactions contemplated hereby have been duly authorized by the Authority's governing body. No other proceedings on the part of the Authority are necessary to authorize this Agreement and the transactions contemplated herein.

Section 4.2 Non-Contravention

The execution and delivery by the Authority of this Agreement does not, and the consummation of the transactions contemplated hereby will not, (i) violate or constitute a default under the terms, conditions or provisions of any note, bond, mortgage, lien, lease, agreement, license, indenture, instrument, or other instrument or obligation to which the Authority is a party or by which the Authority is bound, or (ii) violate any order, writ, injunction, arbitration award, judgment, decree, statute, rule or regulation applicable to the Authority.

Section 4.3 No Litigation

No litigation, proceeding or controversy is pending against the Authority, or to the best of its knowledge threatened, before any court or any governmental agency which would have a

material adverse effect upon the ability of the Authority to perform its obligations under this Agreement or the operations of the System.

Section 4.4 Consents and Approvals.

No notice, consent, approval, waiver or other action of any kind is required to be obtained by the Authority by virtue of the execution hereof by the Authority or in connection with the consummation of any of the transactions contemplated herein.

Section 4.5 No Violations of Law

To the best of the Authority's knowledge, the participation of the Authority in this Agreement does not cause a violation of any federal, state or local law, statute, rule, regulation or ordinance related to or in any way connected with matters contained in this Agreement.

**ARTICLE V
COVENANTS OF FRANKLIN COUNTY**

Section 5.1 Access to Information.

From the date hereof until the Closing, Franklin County will afford the Authority and its authorized representatives reasonable access, during normal business hours and upon reasonable notice, to all assets, properties, books, records and agreements of Franklin County relating to the System. The Authority will pay all costs of copying any records and all other costs incurred by Franklin County in compliance with this provision.

Section 5.2 Geographic Information. Franklin County and the Authority will continue to cooperate in the sharing of Franklin County's real estate and parcel data and the Authority's water and sewer utilities data as it relates to mapping and Geographic Information Systems.

Section 5.3 Other Services. Franklin County land use officials will assist in collecting availability and other fees for the Authority, and will ensure that issues in building permit applications, including change of use of existing structures, will be promptly referred to the Authority for review to insure compliance with the Authority's Design and Construction Standards, Development Rules and Regulations, Wastewater Rules and Regulations, Fats, Oils and Grease Policy, mandatory connection requirements and other applicable policies of the Authority. The Authority will participate in Franklin County's plan review process to coordinate the implementation and compliance with Authority regulations and technical requirements.

Section 5.4 Authority May Operate a Natural Gas Distribution System in Franklin County. The Authority may operate a natural gas distribution system in Franklin County as permitted by Virginia Code Section 15.2-2109.

**ARTICLE VI
COVENANTS OF THE AUTHORITY**

Section 6.1. Secure Necessary Consents. Etc.

The Authority will use its best efforts to obtain all consents, approvals and agreements required on its part to carry out the transactions contemplated by this Agreement.

Section 6.2 Future Services.

The Authority agrees that it shall provide water and sewer utility services to customers in Franklin County using the System, and any new additions or improvements to the System as it may undertake.

Section 6.3 Extensions of the System.

The Authority shall not construct, establish or authorize an extension of a water or sewer transmission line greater than 1,000 feet from the improvements that make up the System in existence as of November 5, 2009 unless such extension is into an area explicitly approved by the Board of Supervisors of Franklin County. Such extensions shall be defined as Future Extensions and shall be submitted to the Board of Supervisors in writing with detailed descriptions of the areas in which Future Extensions to the System are approved. A written description of the areas approved by the Board of Supervisors shall be signed by the Board of Supervisors and the Authority and shall constitute an attachment to this Agreement. All extensions to the System must be substantially in accord with Franklin County's adopted comprehensive plan as provided in Section 15.2-2232 of the Code of Virginia. Financing of extensions to the System will be governed by the Authority's General Business Rules and Regulations and otherwise will be in the sole discretion of the Authority.

Section 6.4 Second Waterline Extension Agreement.

The Authority agrees to cooperate with Franklin County in the continuing negotiations with the Town of Rocky Mount on the Second Water Line Extension, and to execute a Second Water Line Extension Agreement only after review and approval of the terms thereof by Franklin County, or in the alternative, to insure that Franklin County is a party thereto with the full opportunity to participate in the negotiations to the extent that they affect Franklin County.

**ARTICLE VII
CLOSING AND EFFECTIVE DATE**

Section 7.1 Effective Date

This Agreement shall take effect when executed by the Authority and by Franklin County.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 Expenses; Closing Costs

All expenses incurred by or on behalf of the parties hereto in connection with the authorization, preparation, execution and consummation of this Agreement, including, without limitation, all fees and expense of agents, representatives, counsel and accountants employed by the parties hereto, shall be borne by the Authority, which will, when and as it is able, reimburse Franklin County such expenses as they each may have incurred, except as otherwise expressly provided in this Agreement. The Authority shall be responsible for all recording fees, if any, incurred in connection with the conveyances to the Authority pursuant to this Agreement.

Section 8.2 Cooperation

The parties hereto agree to cooperate in making effective the transactions contemplated hereby, and each of them will, at the request of the other, join in taking any action which, though not specified herein, may be reasonably required to be taken in order to consummate the transactions contemplated hereby.

Section 8.3 Further Assurances

From time to time after the Closing, Franklin County will execute such additional instruments of assignment and conveyance and other documents and take such other actions as may be necessary or appropriate to carry out the intent of this Agreement and to vest title or convey rights in and to the System in the Authority.

Section 8.4. Notices

Any and all notices herein provided for or relating to the transactions herein provided for will be in writing and will be deemed to have been sufficiently given to Franklin County if delivered by hand or mailed, postage prepaid, by first class mail, addressed to:

Franklin County Board of Supervisors
40 East Court Street
Rocky Mount, Virginia 24151

With a copy to:

B. James Jefferson, Esquire
5 East Court Street, Suite No. 101
Rocky Mount, Virginia 23219

and to the Authority if delivered by hand or mailed, postage prepaid, by first class mail, addressed to:

Western Virginia Water Authority
601 S. Jefferson Street
Roanoke, Virginia 24011
Attention: Executive Director

With a copy to:

Harwell M. Darby, Jr.
Glenn, Feldmann, Darby & Goodlatte
P.O. Box 2887 (24001)
37 Campbell Avenue, S.W.
Roanoke, Virginia 24011

Section 8.5 Headings

Section and subsection headings in this Agreement are for convenience only and are not to be construed as a part hereof or in any way limiting or amplifying the provisions hereof.

Section 8.6 Entire Agreement; Modification

This Agreement constitutes and contains the entire agreement of the parties hereto and supersedes any and all prior negotiations, correspondence, understandings, and agreements

between the parties respecting the subject matter hereof and may not be modified, altered or changed in any manner whatsoever except by written agreement between the parties hereto.

Section 8.7 Counterparts.

This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

Section 8.8 Successors and Assigns

This Agreement will inure to the benefit of and be binding upon the successors of any party hereto, but no right or liability or obligation arising hereunder may be assigned or transferred by any party except by operation of law.

Section 8.9 Governing Law

This Agreement and the transactions contemplated hereby will be governed by and construed and enforced in accordance with the laws of the Commonwealth of Virginia.

Section 8.10 Survival of Representations, Warranties and Agreements.

The representations, warranties and continuing agreements of Franklin County and the representations, warranties and continuing agreements of the Authority made in this Agreement and in the documents delivered pursuant hereto will survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

IN WITNESS WHEREOF, Franklin County, and the Authority have caused this Comprehensive Agreement to be executed in their names by their duly authorized officers as of the date first above written.

ATTEST:

FRANKLIN COUNTY, VIRGINIA

Sharon K. Tudor, MNC
Sharon K. Tudor, Secretary

By Charles D. Wagner
Charles D. Wagner

ATTEST:

WESTERN VIRGINIA WATER
AUTHORITY

Jean Thurman
Jean Thurman, Secretary

By H. Odell "Fuzzy" Minnix
H. Odell "Fuzzy" Minnix, Chair

LIST OF EXHIBITS

Exhibit A Amended and Restated Articles of Incorporation of the Western Virginia Water Authority

Exhibit A

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF THE
WESTERN VIRGINIA WATER AUTHORITY**

The Board of Supervisors of Roanoke County, Virginia, the City Council of the City of Roanoke, Virginia and the Board of Supervisors of Franklin County, Virginia as well as the Board of Directors of the Western Virginia Water Authority, have by concurrent resolutions adopted the following Amended and Restated Articles of Incorporation of the Western Virginia Water Authority, pursuant to the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2 of the 1950 Code of Virginia, as amended) (“Act”).

ARTICLE I

The name of the Authority shall be the Western Virginia Water Authority and the address of its principal office is 601 South Jefferson Street, Roanoke, Virginia 24011.

ARTICLE II

The names of the political subdivisions participating in the Authority are Roanoke County, Virginia, the City of Roanoke, Virginia, and Franklin County, Virginia (the “Localities”), each of which hereby acknowledges, covenants, and agrees that these Amended and Restated Articles of Incorporation shall not be further amended or changed without the express agreement of each of the governing bodies of each of the Localities. None of the following actions shall be taken or permitted to occur by the Board of the Authority without the affirmative vote of a majority of the members from the City of Roanoke and Roanoke County (1)

The inclusion of additional political subdivisions in the Authority; and

(2) Additional agreement with other political subdivisions, entities, or persons, for the bulk sale of surplus water or for the acceptance and treatment of waste water.

ARTICLE III

The Board of the Authority shall consist of seven members. The names, addresses, and terms of office of the initial members of the reconstituted Board of the Western Virginia Water Authority are as follows:

Name	Address	Term of Office	
		Beginning	Ending
John P. Bradshaw, Jr.	[REDACTED]	July 1, 2009	June 30, 2010
Donald L. Davis	[REDACTED]	July 1, 2006	June 30, 2010
Marc Fink	[REDACTED]	July 1, 2007	June 30, 2011
R. Grayson Goldsmith	[REDACTED]	December 1, 2007	June 30, 2011
Shirley B. Holland	[REDACTED]	November 5, 2009	June 30, 2013
Robert C. Lawson, Jr.	[REDACTED]	July 1, 2008	June 30, 2012
H. Odell "Fuzzy" Minnix	[REDACTED]	July 1, 2008	June 30, 2012

Upon the expiration or vacation of the foregoing terms of office, the governing body of each participating political subdivision shall appoint the number of members set forth opposite its name below:

Roanoke County – Three, for terms of four years

City of Roanoke – Three, for terms of four years

Franklin County – One, for a term of four years

The governing body of each of the Localities shall be empowered to remove at any time, without cause, any member appointed by it and to appoint a successor member to fill the unexpired portion of the removed member's term.

Each Board member shall be reimbursed by the Authority for the amount of actual expenses incurred in the performance of Authority duties.

ARTICLE IV

The purposes for which the Authority is being reorganized are to exercise all the powers granted to the Authority to acquire, finance, construct, operate, manage and maintain water, waste water, sewage disposal and storm water control systems and related facilities pursuant to the Act. The Authority shall have all of the rights, powers, and duties of an authority under the Act.

It is not practicable to set forth herein information regarding preliminary estimates of capital costs, proposals for specific projects to be undertaken, or initial rates for services of the proposed projects.

ARTICLE V

The Authority shall serve Roanoke County, the City of Roanoke, and Franklin County, Virginia, and, to the extent permitted by the Act and the terms of these Articles, such other public or private entities as the Authority may determine upon the terms and conditions established pursuant to appropriate contracts, either within or without Roanoke County, the City of Roanoke, or Franklin County, Virginia.

ARTICLE VI

The Authority shall cause an annual audit of its books and records to be made by an independent certified public accountant at the end of each fiscal year and a certified copy thereof to be filed promptly with the governing body of each of the incorporating political subdivisions.

IN WITNESS WHEREOF the Board of Supervisors of Roanoke County, the City Council of the City of Roanoke, Virginia, and the Board of Supervisors of Franklin County, Virginia, and the Board of Directors of the Western Virginia Water Authority have caused these Amended and Restated Articles of Incorporation to be executed in their respective names, and their respective seals have been affixed hereto and attested by the respective secretaries and clerks of each.

WESTERN VIRGINIA WATER AUTHORITY

CITY OF ROANOKE, VIRGINIA

By: _____
Chairman

By: _____
Mayor

WITNESS: _____(SEAL)
Secretary

WITNESS: _____(SEAL)
Clerk

ROANOKE COUNTY, VIRGINIA

FRANKLIN COUNTY, VIRGINIA

By: _____
Chairman, Board of Supervisors

By: _____
Chairman, Board of Supervisors

WITNESS: _____(SEAL)
Secretary

WITNESS: _____(SEAL)
Secretary

Appendix to Comprehensive Agreement
between
Western Virginia Water Authority
and
Franklin County, Virginia

Appendix of Prior Agreements

- A - First Water Line Extension Agreement
- B - Second Water Line Extension Agreement (current draft)
- C - Water System Service Contract
- D - Water System Transfer Agreement
- E - Westlake Wastewater System Operating Agreement
- F - Westlake Support Agreement